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ABSTRACT

This report discusses the services disadvantaged children need to prepare for school, the extent to which they receive these services from early childhood centers (defined as providing child development, parent, and health and nutrition services), and the reasons early childhood centers may not deliver all the services these children need. Chapter 1 describes the objectives, scope and methodology of the study and the funding of early childhood programs by federal and state governments. Chapter 2 discusses the full range of services needed to prepare children for school: developmentally appropriate, high quality services; parent services and health care and nutrition services. Chapter 3 presents two reasons why most disadvantaged children do not receive these services: they do not attend early childhood centers, and, if they do attend early childhood programs, the centers that they attend may provide only limited services. The limited number of places available in the centers, limited subsidies, and narrow program missions are discussed in chapter 4 as barriers which impede centers' efforts to provide services to disadvantaged children. The last chapter suggests changes required in the areas of funding and program missions so that the first national education goal, "by the year 2000, all children will enter school ready to learn" can be met. This report contains seven appendices including: description of selected federal programs that provide early childhood services; case studies of early childhood programs in four states; technical description of national data analyses; standards that apply to early childhood centers; and Department of Education comments. (BAC)

United States General Accounting Office

GAO

Report to the Ranking Minority Member, Subcommittee on Children and Families, Committee on Labor and Human Resources, U.S. Senate

March 1995

# EARLY CHILDHOOD CENTERS

## Services to Prepare Children for School Often Limited

ED 382 363

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**United States**
**General Accounting Office**
**Washington, D.C. 20548**

**Health, Education, and**
**Human Services Division**

B-250917

March 21, 1995

The Honorable Christopher J. Dodd
Ranking Minority Member
Subcommittee on Children and Families
Committee on Labor and Human Resources
United States Senate

Dear Senator Dodd:

As you requested, we have examined early childhood services to disadvantaged children in the United States. Our report discusses the services disadvantaged children need to prepare for school, the extent to which they receive these services from early childhood centers, and the reasons early childhood centers may not deliver all the services these children need.

As arranged with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days after its issue date. At that time, we will send copies of this report to the Secretary of Health and Human Services, the Secretary of Education, appropriate congressional committees, and other interested parties.

If you have any questions about this report, please call me or Beatrice F. Birman, Assistant Director, at (202) 512-7014. Other GAO contacts and acknowledgments are listed in appendix VII.

Sincerely yours,

Linda G. Morra

Linda G. Morra
Director, Education and
Employment Issues

# Executive Summary

## Purpose

More than a third—2.8 million—of the nation's children aged 3 and 4 were from low-income families in 1990, a growth of 17 percent since 1980. This trend is continuing. These disadvantaged children often live in homes that provide little intellectual stimulation, as well as inadequate health care and nutrition. Consequently, the development of these children, including their preparation for elementary school, is undermined. Lagging behind their middle- and upper-income peers when they enter school, many disadvantaged children never catch up. These children, more than other children, are placed in special education classes, repeat one or more grades, or drop out before completing high school. But there is help for these disadvantaged children. This help includes federal and state government funding for services in early childhood centers. Through these services, centers can prepare children for school, helping them to overcome their disadvantages.

Programs that provide these services will be reviewed by the 104th Congress. To better understand federal and state early childhood services provided in centers, the Ranking Minority Member of the Subcommittee on Children and Families, Senate Committee on Labor and Human Resources, asked GAO to answer these questions:

- What services do disadvantaged children need to be prepared for school?
- To what extent do disadvantaged children receive these services from early childhood centers?
- If disadvantaged children do not receive these services from early childhood centers, why not?

## Background

Sometimes families need help in preparing their children for school. Such help can be provided in a variety of settings, including early childhood centers. Funded by many different federal, state, and private programs (see app. I), these centers provide child development, parent, and health and nutrition services. Children may also receive these services from family child care providers—that is, individuals who, in their own homes, care for one or more children—and through social service programs.

To emphasize the importance of preparing all children for school, in 1994 the Congress enacted the Goals 2000: Educate America Act, which includes the first national education goal: "By the year 2000, all children in America will start school ready to learn." Two other laws, also enacted in 1994, specifically authorized programs for disadvantaged children: (1) the Head Start Amendments of 1994, which expand and improve early childhood services provided by the Head Start program, and (2) the Elementary and Secondary Education Act, which includes programs that provide early childhood services for disadvantaged children. In addition, the Congress's upcoming reauthorization of the Child Care and Development Block Grant program and Title IV-A child care programs of the Social Security Act will focus attention on early childhood services for low-income families.

To review the services provided in early childhood centers, GAO used several different methodologies: consulting with experts; conducting case studies of early childhood programs and services in four states—California, Louisiana, Maryland, and Michigan— as well as conducting case studies in two low-income census tracts in each of these states (see app. II); and analyzing a nationally representative sample of early childhood centers (see app. III).

## Results in Brief

Early childhood experts agree that to be prepared for school, disadvantaged children need intellectual stimulation, parental support, and adequate health care and nutrition. Early childhood centers can help meet these needs by providing a full range of services—child development, parent, and health and nutrition. Child development services encourage developmental appropriateness—suitable to a child's age and individual level of development—in all activities; these services also promote the responsiveness of teachers to the child. Parent services actively involve parents in their children's learning. Health and nutrition services promote children's physical and mental well-being, which enhances their ability to learn.

Most of the nation's disadvantaged children do not attend an early childhood center. By contrast, most children in high-income families do attend these centers. Of the disadvantaged children who attend centers, most attend the kinds of centers— school-sponsored, nonprofit, and for-profit—that are less likely than Head Start centers to provide a full range of services. But despite Head Start's provision of a full range of services, the quality of its services has been uneven.

Most disadvantaged children do not receive services at early childhood centers because of the (1) limited number of places and subsidies and (2) narrow missions of programs. The first problem precludes the enrollment of many eligible children. The second constrains the services offered; however, some states and localities have initiatives that show how resources can be combined so that centers can provide the full range of services.

## GAO's Analysis

### Centers Can Meet Children's Needs by Providing a Full Range of Services

Centers can meet children's needs for child development services by providing teachers who have higher education or specialized training in early childhood education, a low child-to-staff ratio, small group size, low teacher turnover, and a curriculum with both daily and long-range plans for groups of children and individual children.

Centers can also meet children's needs for parent services by helping parents become actively involved in their children's learning. Such involvement includes opportunities for parents to meet with teachers, serve as volunteers in the classroom, attend workshops or classes, and receive home visits from center staff.

Finally, centers can meet children's needs for health care and nutrition services by screening for hearing, speech, and vision problems; making referrals to health care providers; and offering daily nutritious meals and snacks. Centers can also require preventive health care, such as immunizations and physical examinations.

### Most Disadvantaged Children Do Not Receive a Full Range of Services From Centers

Of the nation's disadvantaged children, about 65 percent, as of 1989, did not attend an early childhood center. Of those who attended centers, 59 percent attended school-sponsored, for-profit, and nonprofit centers, which are less likely than Head Start to provide the full range of services.

Child development services, for example, are often inadequate in for-profit and nonprofit centers: In for-profit centers, 21 percent of teachers have minimal qualifications—no more than a high school diploma or General Equivalency Degree (GED); in nonprofit centers, 11 percent have no more than these minimal qualifications. In Head Start and school-sponsored centers, however, almost all teachers have more than a high school diploma or GED. In addition, more than 25 percent of for-profit and nonprofit centers have child-staff ratios higher than 10 to 1, but only 8 percent of Head Start centers have such high ratios.

Many centers are less likely than Head Start centers to provide some types of parent services. For example, only 45 percent of school-sponsored centers, 18 percent of nonprofit centers, and 7 percent of for-profit centers provide home visits. But 98 percent of Head Start centers provide them.

Finally, few centers besides Head Start provide health services. Less than 10 percent of nonprofit and for-profit centers and less than 35 percent of school-sponsored centers report providing, or referring children for, physical and dental examinations. Most centers of all kinds, however, do provide daily nutritious meals and snacks.

### Services Unavailable Because of Limited Number of Places and Subsidies

Despite the expansion of the Head Start program in recent years, there are still only a limited number of places in centers that serve disadvantaged children. One explanation for this is that the number of disadvantaged children aged 3 and 4 has increased from 2.4 million in 1980 to 2.8 million in 1990. In addition, few Head Start centers, unlike for-profit and nonprofit centers, are full day, making them unavailable for the children of parents who need full-day care because they are at work or school.

In each of the four states GAO visited, early childhood centers had waiting lists, a rough indicator of limited places. Even when places are available, the limited number of subsidies for child care available to families also makes it difficult for parents to pay for their children to attend centers.

### Programs Have Narrow Missions That Constrain Centers' Provision of Services

Generally, the missions of programs emphasize either child development, which prepares children for school, or child care, so that parents can work or go to school. Such narrow missions influence program standards, resource allocation, and the ease with which programs can work together. These three characteristics constrain centers from providing children with a full range of services. Nevertheless, some state and local initiatives, sometimes with additional private funding, have demonstrated that a full range of services can be provided by funding the programs that offer more services; investing state money in Head Start; and locating centers, services, and children together even when funds come from different programs.

## Recommendations

GAO is making no recommendations.

## Agency Comments

The Department of Education provided written comments on this report. Education noted that GAO presents "a wealth of information on early childhood schooling" and that the report should be widely read. (See app. V for Education's comments and GAO's response.)

The Department of Health and Human Services (HHS) did not provide written comments on this report; however, HHS officials provided oral comments on technical points. Where appropriate, GAO has incorporated their comments in this report.

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## Abbreviations

| | |
|---|---|
| AFDC | Aid to Families with Dependent Children |
| CACFP | Child and Adult Care Food Program |
| CCDBG | Child Care and Development Block Grant |
| CDA | Child Development Associate |
| EEEP | Extended Elementary Education Program |
| ESEA | Elementary and Secondary Education Act of 1965 |
| GED | General Equivalency Degree |
| HHS | Department of Health and Human Services |
| IDEA | Individuals with Disabilities Education Act |
| JOBS | Job Opportunities and Basic Skills |
| MECE | Michigan Early Childhood Education |
| MSDE | Maryland State Department of Education |
| NAEYC | National Association for the Education of Young Children |
| OMB | Office of Management and Budget |
| USDA | U.S. Department of Agriculture |
| WIC | Special Supplemental Food Program for Women, Infants, and Children |

Chapter 1

# Introduction

More than a third—2.8 million—of the nation's 3- and 4-year-old children were from low-income families in 1990, a growth of 17 percent since 1980.[1] An increase in the number of infants and toddlers living in such families during the same period suggests that this trend will continue.[2] These disadvantaged children often live in environments that undermine their development and impair their ability to benefit from elementary school.[3] Already lagging behind their peers when they enter school, many of these children fail to catch up. Consequently, disadvantaged children, more than other children, are placed in special education classes, repeat one or more grades, or drop out before completing high school.

A recent Carnegie Corporation report characterizes the condition of some of the nation's youngest children, including the disadvantaged, as a "quiet crisis." The report documents the importance of environmental factors on children's development and concludes that "the quality of young children's environment and social experience has a decisive, long-lasting impact on their well-being and ability to learn."[4] According to the report, fewer than half of the nation's youngest children receive adequate cognitive stimulation, such as being read to by their parents.

To prepare for school, disadvantaged children can benefit from programs that offer specific features of child development services, promote parent services, and provide adequate health care and nutrition services.[5] Such services may be found in early childhood centers, such as preschools, nursery schools, child care centers, or early learning centers.[6] Such services also may be found in other settings, including family child care, or provided by parents themselves.[7] If disadvantaged children do not receive these services, their future success in both school and life may be jeopardized.

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[1] These 2.8 million children are in families whose incomes are at or below 185 percent of poverty, an eligibility criterion for some federal programs, such as the Special Supplemental Food Program for Women, Infants, and Children (WIC). The Office of Management and Budget (OMB) defines poverty on the basis of family size and annual household income. For example, in 1990, a family of four with an annual income at or below $12,674 was considered poor. To determine the number of children living in low-income families, we used an annual household income below 185 percent of poverty—or at or below $23,447 for a family of four. Of these 2.8 million low-income children, 1.4 million lived below the OMB poverty threshold, an increase of 28 percent from 1980 to 1990.

[2] The growth in the population of disadvantaged infants and toddlers from low-income families during this period was 13 percent. Our April 1994 report provided information on the numbers and characteristics of the nation's infants and toddlers. See Infants and Toddlers: Dramatic Increases in Numbers Living in Poverty (GAO/HEHS-94-74, Apr. 7, 1994).

[3] In this report we use the term "disadvantaged" to refer to children who live in low-income families, including those who are poor. Researchers, as well as federal and state programs, use many different measures—economic and others, such as educational test scores—to determine which children are disadvantaged. We do not limit ourselves to a single economic measure.

[4] In 1991, the Carnegie Corporation of New York established the Carnegie Task Force on Meeting the Needs of Young Children to "develop a report that would provide a framework of scientific knowledge and offer an action agenda to ensure the healthy development of children from before birth to age three." See Carnegie Task Force on Meeting the Needs of Young Children, Starting Points: Meeting the Needs of Our Youngest Children (New York: Carnegie Corporation of New York, Apr. 1994).

The Congress's inclusion of a school readiness goal as part of the 1994 Goals 2000: Educate America Act suggests the need for and importance of helping young children prepare for school. The act establishes eight national education goals, the first of which states that "By the year 2000, all children in America will start school ready to learn." The goal also articulates the fundamental elements needed to foster the development of all children, including the disadvantaged, and to prepare them for school. These elements include high-quality,[8] developmentally appropriate[9] preschool programs (in this report, centers), parents who are involved in their child's learning, and adequate health and nutrition services. However, accomplishing this goal may become an elusive pursuit as schools receive a continuing stream of disadvantaged children whose early experiences do not include these fundamental elements needed to prepare them for school.

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[5] Most of the research on the benefits of early childhood programs reports on the effects of such programs for children living in poverty. However, the first national education goal recommends that all children have access to early childhood programs.

[6] In this report we use the term "early childhood center" to mean any setting providing education or care outside of the child's home, or the home of a relative or unrelated person. Our use of the term early childhood centers includes programs sponsored by schools.

[7] Family child care is offered by individuals in their homes to a small number of children—usually fewer than six. These providers can be neighbors, friends, or someone families learn about through friends or advertisements. This study did not examine services offered by family child care providers, but we discuss findings from other studies of family child care in chapter 3. The Department of Health and Human Services is currently funding 17 demonstration projects that provide a full range of services to children cared for in family child care settings.

[8] The term "high-quality" is generally used to describe environments in early childhood centers and other settings that support and enhance children's development. The interactions between staff and children are a significant aspect of such environments. Experts agree that certain characteristics are associated with high-quality environments, in part because they foster positive interactions. These characteristics include child-staff ratios, group size, staff qualifications, compensation, and turnover. In another usage, the term high-quality refers to both the range of services that a center makes available to children and their families and the extent to which children and their families actually receive these services.

[9] The National Association for the Education of Young Children (NAEYC) defines developmentally appropriate practices as those that address a child's developmental needs according to his or her (1) age and (2) individual growth and maturation. The teacher selects an appropriate range of activities and materials for children of a specific age group, then tailors the general range of activities and materials to individual children on the basis of each child's growth, interests, and experiences. Developmentally appropriate practices also emphasize the importance of play in children's cognitive, physical, emotional, and social development.

The Congress has also enacted other legislation that addresses the need for preparing children for school: the Head Start Amendments Act of 1994, a part of the Human Services Amendments of 1994, P.L. 103-252; and the Improving America's Schools Act, P.L. 103-382, which amended the Elementary and Secondary Education Act of 1965 (ESEA).[10] The Head Start Amendments of 1994 reauthorized and expanded Head Start, a program that provides some disadvantaged children—mostly those who are categorized as poor[11]—with all the services needed to prepare for school. The Improving America's Schools Act provides, among other educational programs, early childhood services in some schools with large numbers of disadvantaged children.

The provision of early childhood services is also likely to be a key issue in the debate over welfare reform. Welfare reform may result in an increased demand for child care should those parents who are unemployed and receiving Aid to Families with Dependent Children (AFDC) be required to participate in education or employment training programs.

## Disadvantaged Children Are Not Prepared for School

To be prepared for school,[12] all children need early childhood experiences that foster their physical, emotional, social, and cognitive development. Children also need relationships with adults who are responsive to their needs and who foster their development, parental guidance and support, health care to maintain physical well-being or correct medical problems, and nutritious diets. However, the early childhood experiences of many disadvantaged children do not include these experiences.

Family income is an important predictor of children's success or failure in school; disadvantaged children are more likely to experience difficulties. Their early childhood experiences often hinder their development, leaving them unprepared for school. Recent research on infants and toddlers provides compelling evidence of the environmental deficits—such as too little cognitive stimulation and inadequate health care—that undermine disadvantaged children's development. It also documents the effects of these deficits on children's school performance and later lives.[13]

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[10] Title I of ESEA, as amended, provides the largest share of federal assistance to elementary and secondary school students. In fiscal year 1994, the federal government provided states with over $6.9 billion dollars in Title I funds to serve more than 5 million children in prekindergarten through grade 12. Prior to the 1994 reauthorization of ESEA, and during the period of our review, Title I was called Chapter 1. In this report, we use Title I to refer to both the newly reauthorized program and its predecessor, Chapter 1.

[11] The Head Start program uses OMB's definition of poverty, in addition to other guidelines, to determine a child's eligibility for services. (See footnote 1 for a discussion of OMB's definition of poverty.) OMB's definition of poverty is one of the most stringent income standards used. Some federal programs allow higher income standards to determine children's eligibility. For example, in order to be eligible for the Medicaid program, children must be living in families with an annual income of up to 133 percent of the poverty line.

[12] The National Education Goals Panel is currently developing measures to determine children's preparedness at the time that they begin elementary school. In the absence of such a measure, this discussion focuses on research that links children's development with later school performance.

A 1991 study of children whose families were recipients of AFDC, the federal welfare assistance program, found that the conditions under which the nation's most disadvantaged children live are detrimental to these children's development and undermine their chances for success in school.[14] Researchers found that children who were from families receiving AFDC were twice as likely as children of more economically advantaged families to do poorly in school, repeat a grade, and become classroom disciplinary problems. Two-thirds of these children lived in home environments that did not stimulate their cognitive growth and where they received insufficient emotional support from their parents. The study revealed similar findings for the children of low-income families that were not receiving AFDC.

Disadvantaged children have less access to health care and nutrition, especially preventive health care, than children whose families have higher incomes. The same 1991 study of AFDC children found that children from low-income families were less likely to have visited a doctor within the last year than children in families with higher incomes. Twenty-one percent of the children in low-income families had not visited a doctor within the last year compared with 14 percent of children in families with higher incomes. Also, children in low-income families were more likely to receive care in a hospital emergency room, which is not an adequate source of preventive care.[15] Forty percent of the children in low-income families—compared with 7 percent of children in families with higher incomes—received regular care through a hospital emergency room or clinic. Poor health can negatively affect children's ability to perform well in school.

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[13] The Carnegie Corporation report, Starting Points, summarizes some of the research on environmental effects on children's development from birth to age 3 (see part 1). For a discussion of the environmental deficits accompanying poverty, see James Garbarino, "The Meaning of Poverty in the World of Children," American Behavioral Scientist, Vol. 35 (January/February 1992).

[14] Nicholas Zill, Kristin A. Moore, Ellen Wolpow Smith, Thomas Stief, and Mary Jo Coiro, The Life Circumstances and Development of Children in Welfare Families: A Profile Based on National Survey Data (Washington, D.C.: Child Trends, Inc., 1991). Using data from two large, nationally representative surveys, the National Longitudinal Survey of Labor-Market Experience of Youth and the National Health Interview Survey, this study examined AFDC children's home environments to determine the role of welfare dependence in children's development and well-being.

[15] Nicholas Zill, Child Health and School Readiness: Background Paper on a National Education Goal (Washington, D.C.: Child Trends, Inc., Oct. 1990).

Other factors associated with low-income families—low parent educational attainment, single-parenting, and limited English proficiency—also increase children's risk of doing poorly in school.[16] None of these factors, however, are insurmountable. Research on early childhood development validates the belief that children can be helped to prepare for school.

## Early Childhood Centers Can Help Disadvantaged Children Prepare for School

Many researchers have found that disadvantaged children can overcome the environmental deficits they have experienced and become better prepared for school. One way disadvantaged children can make these gains is by attending early childhood centers that provide services important to promoting school preparedness. For example, the Perry Preschool Project, a longitudinal study of the effects of disadvantaged children's participation in a high-quality preschool, found significant differences between children who participated in the preschool program and those who did not.

Participating children, compared with nonparticipating ones, had significantly lower rates of placement in special education classes, were less likely to repeat a grade, and tested higher on IQ tests on school entry.[17] Other studies have also documented that attendance in high-quality early childhood centers has positive effects on children's development and school achievement.[18] However, the research, while generally positive, has documented that the benefits of such attendance are not always long term.

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[16] See Poor Preschool-Aged Children: Numbers Increase but Most Not in Preschool (GAO/HRD-93-111BR, July 21, 1993).

[17] The Perry Preschool study began in 1962. The findings of the effects of preschool on children who participated in the program are reported in John R. Berrueta-Clement, Lawrence J. Schweinhart, W. Steven Barnett, Ann S. Epstein, and David P. Weikart, Changed Lives: The Effects of the Perry Preschool Program on Youths Through Age 19 (Ypsilanti, Mich.: High/Scope Educational Research Foundation, 1984). A second report relates findings on participating children through age 27: Lawrence J. Schweinhart and H.V. Barnes, with W. Steven Barnett, Ann S. Epstein, and David P. Weikart, Significant Benefits (Ypsilanti, Mich.: High/Scope Educational Research Foundation, 1993).

[18] These other reports include Penny Hauser-Cram, Donald E. Pierson, Deborah Klein Walker, and Terrence Tivnan, Early Education in the Public Schools: Lessons from a Comprehensive Birth-to-Five Kindergarten Program (San Francisco: Jossey-Bass, Inc., 1991); Cheryl D. Hayes, John L. Palmer, and Martha J. Zaslow, eds. Who Cares for America's Children?: Child Care Policy for the 1990s (Washington, D.C.: National Academy Press, 1990); A Report on Longitudinal Evaluations of Preschool Programs, Sally Ryan, ed., Vol. 1, DHEW Publication Number (OHD)74-24; and Edward F. Zigler and Edmund W. Gordon, Day Care: Scientific and Social Policy Issues (Dover, Del.: Auburn House Publishing Company, 1982).

The extent to which these benefits are maintained appears to be influenced by other factors, such as the child's experience as he or she makes the transition from an early childhood program to elementary school or the way in which the elementary school environment supports young children's development.[19]

## Both Federal and State Governments Fund Different Types of Early Childhood Programs

The federal government, as well as a majority of state governments, invests in different kinds of early childhood programs for disadvantaged children. The mission of some of these programs is to promote child development; the mission of other programs is to provide child care so that parents can work. Federal responsibility for administering these programs rests primarily with the Department of Education and the Department of Health and Human Services (HHS). All of these programs fund early childhood centers that can affect the child's development. Many of these programs, especially those for providing child care, also make funds available for other settings. For example, children may be cared for in family child care homes, where groups of children receive services in someone else's home. (Detailed descriptions of all these programs appear in app. I.)

### Federal Child Development Programs Target Disadvantaged Children

Early childhood development programs are a key strategy in the federal government's effort to help disadvantaged children improve their performance in school. Head Start, the federal government's largest such program, is administered by HHS and provides funding directly to local grantees who, in turn, provide some disadvantaged children, mostly those who are categorized as poor, with a full range of early childhood services. That range includes, but is not limited to, child development, parent, and health and nutrition services.

In order to serve more children and improve quality, the federal government has increased Head Start funding annually since 1989. In total, increased funding provided services for an additional 287,000 children from fiscal year 1990 through fiscal year 1993. Head Start's funding was $3.3 billion in fiscal year 1994; the program served 740,493 children in that year. The Congress increased the program's appropriation to $3.5 billion for fiscal year 1995. Legislation reauthorizing Head Start calls for a study of the need for full-day, full-year Head Start programs; program guidance encourages centers to provide full-day programs rather than the usual half-day programs when there is a need among the families served by the center.

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[19] See Transitions to Kindergarten in American Schools, Office of Policy and Planning, Department of Education (1992).

Other federal programs also provide some early childhood services.[20] For example, the 1994 amendments to ESEA provide funding from the Department of Education for child development programs that are operated by schools with high numbers of disadvantaged children. In school year 1992-93, Title I served 116,664 children in early childhood programs; data on the amount of money expended to provide these programs are unavailable.[21] In addition, Education's Even Start Family Literacy Program is another example of a program that provides early childhood development services to disadvantaged children.[22]

## Growing Number of State Child Development Programs Also Target Disadvantaged Children

Increasingly, state governments are investing in child development programs. A 1991-92 survey by the Children's Defense Fund found that 32 states use state funds to provide child development programs to children before they enter elementary school[23]—a threefold increase in such programs since 1979. [24] Many of these programs are administered by state departments of education and operate through the public schools. Fourteen states provide increased funding for Head Start so that more children can be served. Some states operate their programs through a variety of providers, including schools, Head Start centers, and contractors. In addition, state funding for early childhood programs, including child development programs, varied dramatically.[25]

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[20] Some disadvantaged children also receive services under the Individuals with Disabilities Education Act (IDEA). For example, IDEA authorizes the Preschool Grants Program. Under this authorization, state and local educational agencies receive funding to help make available a free and appropriate education to children who are 3 through 5 years old. Studying programs for children with disabilities was beyond the scope of this study.

[21] These are the number of children served in early childhood programs funded by Title I—referred to as Title I prekindergarten programs. School districts are not required to report separately the level of expenditures for programs that serve children before elementary school.

[22] Even Start projects provide families with low incomes an integrated program of early childhood education, adult basic skills training, and parenting education. These services include instruction for children, literacy training for parents, and assistance to parents to involve them in their children's schooling.

[23] Gina Adams and Jodi Sandfort, First Steps, Promising Futures: State Prekindergarten Initiatives in the 1990s (Washington, D.C.: Children's Defense Fund, 1994).

[24] These are state-funded programs that provide education-related services, in this report called child development services, to preschool-aged children. Programs funded by the federal Title I program are not included, nor are programs funded entirely by local governments or focused primarily on parents. See First Steps, Promising Futures: State Prekindergarten Initiatives in the 1990s.

## Federal Child Care Programs Target Disadvantaged Children

Some federal child care programs provide subsidies for low-income families to obtain child care in a variety of settings. These settings include early childhood centers operated by nonprofit or for-profit organizations. The services provided are generally intended to support parents' employment, but the centers also provide the early learning experiences that prepare children for school.

In 1993, HHS spent more than $1.8 billion in programs to improve access to affordable child care for low-income families. However, this amount includes services to children of all ages in all kinds of child care settings; only a portion of this amount goes to 3- and 4-year-old children in centers. Welfare reform will increase the need for child care services if more parents are required to work or be trained.[26]

Among the federal programs that subsidize child care are the Title IV-A programs of the Social Security Act and the Child Care and Development Block Grant (CCDBG). Title IV-A funds three programs—AFDC Child Care, At-Risk Child Care, and Transitional Child Care—that provide child care assistance for families who are working toward economic self-sufficiency or are at risk of welfare dependence. (States must provide a match for a portion of the federal money they receive under the Title IV-A programs.) CCDBG provides subsidies for child care services, with priority given to low-income families and children with special needs. In addition, states can use the Title XX-Social Services Block Grant to fund a wide range of social services including child care, particularly for neglected children.

## Questions Raised About Current Array of Programs

Some federal policymakers question whether the current array of early childhood programs provides the services needed to promote child development and prepare children for school. Our 1994 study identified 34 federal early childhood programs and another 59 federal programs that either allow or support early childhood education or care.[27] Multiple programs provide different services to different subgroups of disadvantaged children, although the children have similar needs. As a result, there have been increasing calls for program coordination, particularly among federal programs.

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[25] In fiscal year 1990, state funding for child care and early childhood development programs combined ranged from $.24 to $70 per child. These figures were calculated by dividing the total federal and state expenditures for such programs by the total number of children under age 14 in the state. See Gina Adams and Jodi R. Sandfort, State Investments in Child Care and Early Childhood Education (Washington, D.C.: Children's Defense Fund, 1992).

[26] A feature of welfare reform proposals in the 103rd Congress was provision of child care for AFDC recipients who would be required to participate in education or employment training programs. Welfare reform proposals introduced in the 104th Congress may contain similar provisions, given the current emphasis on helping families receiving AFDC to achieve economic independence.

The Head Start-State Collaboration Grants program, created in 1990, is one national effort that seeks to coordinate a major federal early childhood program, Head Start, with state early childhood programs and services including those of health, education, and welfare service providers.[28] The recent reauthorization of Head Start permits the Secretary of Health and Human Services to expand these grants from the 22 states currently participating to all states. In addition, the Advisory Committee for Head Start Quality and Expansion recommended that a study of federal child care be undertaken to provide direction for increasing the consistency between program requirements and procedures to facilitate coordination between programs.

The Congress has also taken steps to address concerns that have been raised about the quality of services funded by the array of federal early childhood programs. In response to concerns about the quality of Head Start services, the Congress allows HHS to set aside for quality improvements 25 percent of the amount of the current-year Head Start appropriations that exceed appropriations of the preceding year, including staff salary increases.[29] The 1994 legislation requires additional measures intended to improve quality, such as termination of an agency's designation as a Head Start grantee if the agency fails to correct a deficiency cited by the Secretary of HHS.

New legislation reauthorizing ESEA requires Title I early childhood programs to comply with Head Start performance standards by fiscal year

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[27] Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994).

[28] The Head Start Act, as amended in 1994, requires states receiving collaboration grants to ensure that Head Start services are coordinated with health care, welfare, child care, education, national service activities, family literacy services, and activities for children with disabilities.

[29] The Head Start Amendments of 1994 allow the Secretary of HHS to set aside 25 percent of current-year appropriations in excess of appropriations of the preceding year to (1) help centers meet or exceed Head Start performance standards, (2) ensure centers have adequate, qualified staff who are provided training, (3) ensure that staff salaries are adequate to attract and retain qualified staff, (4) use salary increases to improve staff qualifications and to assist with the implementation of career development programs, (5) improve community-wide strategic planning and needs assessments, (6) ensure that the physical environment of centers is conducive to providing effective services to children and families, and (7) make other improvements in the quality of such programs.

1997; currently, federal Title I standards do not include requirements specifically for early childhood programs. The CCDBG legislation includes a 25-percent set-aside for quality improvements, which states can use for a variety of activities such as improving staff salaries, establishing and expanding child care resource and referral programs, and training child care providers. Finally, proposals for reforming welfare in the last session of Congress included provisions, for example, that would allow states to use program funds for increased monitoring and licensing and other quality improvement activities. Such changes may be considered when welfare reform is revisited in the 104th Congress.

## Objectives, Scope, and Methodology

The Ranking Minority Member of the Subcommittee on Children and Families, Senate Committee on Labor and Human Resources, asked us to conduct a review of center-based federal and state early childhood programs. We were asked to answer the following questions: (1) what services do disadvantaged children need to prepare them for school; (2) to what extent do disadvantaged children receive these services from early childhood centers; and (3) if disadvantaged children do not receive services from early childhood centers, why not?

In our review of early childhood programs, we used several different methodologies. To determine the kinds of services that disadvantaged children need to prepare them for school, we reviewed literature, consulted with experts, and reviewed the standards for early childhood centers developed by a number of professional associations and government agencies. We limited our focus to center characteristics associated with the first national education goal—child development, parent, and health and nutrition services.

In order to determine the services that disadvantaged children receive, we analyzed Mathematica Policy Research, Inc.'s data from a nationally representative sample of early childhood centers. This was a 1990 telephone survey of directors of early childhood centers.[30] We grouped centers into four categories that correspond to their sponsors: (1) Head Start, (2) school-sponsored, (3) nonprofit, and (4) for-profit.[31] Both nonprofit and for-profit centers may be sponsored by church, community, and other organizations. Nonprofit and for-profit centers may receive funds through federal or state child care programs, directly or through subsidies provided to families. Head Start centers are sponsored by local nonprofit organizations—including school districts—receiving federal Head Start funds.[32] School-sponsored centers are sponsored by local school districts, and are funded by the state and/or local governments, but may also receive some federal funds. In addition to analyzing national data for kinds of centers, we also divided the centers into three categories according to the poverty level of their community to determine whether differences exist in the services provided.[33] We report only those differences between centers that are statistically significant at the 95-percent confidence level.

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[30] Mathematica's findings are reported in Profile of Child Care Settings: Early Education and Care in 1990, Vols. 1 and 2, U.S. Department of Education, Office of the Under Secretary (Princeton, NJ: 1991).

[31] Although Head Start and school-sponsored centers are also nonprofit, throughout this report, the term nonprofit centers excludes Head Start and school-sponsored centers.

We also conducted case studies of early childhood programs and services in four states that had multiple early childhood programs and varying levels of state investment in those programs. We judgmentally selected our states on the basis of types of early childhood programs within the state and the level of state investment in early childhood programs. Our in-depth case studies of early childhood programs and services in California, Louisiana, Maryland, and Michigan enabled us to look first-hand at services for disadvantaged children. Each of these four states has state-funded child development programs. The characteristics of these programs—such as per-child expenditure and services provided—varied. In addition, we met with state education and child care administrators in the four states. In each state, we also selected low-income census tracts—one urban and one rural—and interviewed all center-based providers within these census tracts. In total, we interviewed providers in 28 early childhood centers—8 Head Start centers, 12 federal or state school-sponsored programs, and 8 other providers. (See app. II for details about the case study states.)

In order to determine why disadvantaged children did not receive needed services, we conducted (1) in-person interviews with state and local administrators in our case study states and (2) telephone interviews with 11 state administrators of Head Start-State Collaboration Projects. These projects are intended to facilitate Head Start involvement in state policymaking and to build a more integrated and comprehensive delivery system for early childhood services.[34] (Additional information on the methodology employed in this study can be found in app. III.)

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[32] For the purposes of this report, Head Start centers with multiple sponsors are classified as Head Start. For example, if a center receives both Head Start and state preschool funding, it is considered a Head Start center. Because Head Start regulations require the center to provide comprehensive services, the center would have characteristics of a Head Start program.

[33] In this report, we define high-poverty areas as those in which 30 percent or more of the children reside in families whose annual household incomes are below the 1990 OMB poverty standard of $12,674 for a family of four. In those areas we define as low-poverty, less than 8 percent of the children reside in families with annual family incomes below the OMB poverty line.

## Study Limitations

This study was limited to the provision of services to preschool-aged children, generally 3 and 4 years old, in early childhood centers. We did not examine services provided in family child care settings.

The Profile of Child Care Settings relied exclusively on self-reports of center personnel. In addition, the sample did not allow us to focus our analyses on centers that serve only disadvantaged children. We were also not able to conduct analyses comparing the proportions of disadvantaged children receiving services in different kinds of centers because of small sample sizes.

In our case studies, we did not conduct on-site observations of interactions between teachers and disadvantaged children as would be necessary to determine the quality of a center beyond what services it offered.[35]Information in these case studies is not nationally representative.

We did our review from October 1992 to September 1994 in accordance with generally accepted government auditing standards.

## Agency Comments

The Department of Education provided written comments on a draft of this report. We have incorporated its comments where appropriate. In addition, these comments are presented and evaluated in appendix V. HHS did not provide written comments. We obtained HHS' views in an exit conference and have incorporated its comments as appropriate.

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[34] Head Start-State Collaboration Grants were first awarded in 1990. Twelve states received individual grants of up to $100,000. We interviewed 11 of the 12 administrators: because of a change in administrators in one state, there was no representative to speak with at the time we conducted these interviews. Ten additional states were awarded collaboration grants in 1992. These 10 states were not included in our telephone interviews because of the limited time in which they have participated in the collaboration program.

[35] Abt Associates, under contract to the Department of Education, has completed such a review and published its findings in Patricia S. Seppanen, Ken W. Godin, Jeffrey L. Metzger, Martha Bronson, and Donald J. Cichon, Observational Study of Early Childhood Programs (Washington, D.C.: Department of Education, 1993).

# Disadvantaged Children Need Full Range of Services to Prepare Them for School

As stated in chapter 1, the first national education goal articulates the fundamental elements—high-quality, developmentally appropriate preschool (in this report, early childhood centers); parents who support their children's learning; and adequate health care and nutrition—that are needed to prepare all children for school. Experts also have documented that these elements are important in preparing disadvantaged children for school.

## Developmentally Appropriate, High-Quality Services Help Prepare Children for School

Child development services that are appropriate to the child's age and individual level of development should promote relationships between the child and adults. Long-term relationships with adults who are responsive to the child's needs and provide a stimulating environment for the child are crucial to development. In particular, a child's language and social development are dependent on his or her relationships with adults. By encouraging verbal expression, adults can foster such development.[36] Children's relationships with adults other than their parents, such as early childhood teachers, provide important opportunities for their development. Early childhood centers can provide the kind of environment that encourages these kinds of relationships and developmentally appropriate practices.

Certain features foster such relationships and practices: teachers with higher education or specialized training in early childhood education, a low child-to-staff ratio, small group size, and low teacher turnover.[37] A curriculum that includes daily and long-range plans for groups of children and individual children is another important feature.

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[36] Studies of the importance of adult-child relationships in children's language development are reported in Jerome Bruner, Child's Talk (New York: Norton Publishers, 1983). See also Developmentally Appropriate Practice in Early Childhood Programs Serving Children From Birth Through Age 8, NAEYC, Sue Bredekamp, ed. (Washington, D.C.: 1987); and National Research Council, Who Cares for America's Children? (Washington, D.C.: National Academy Press, 1990).

[37] Experts refer to these features as "structural characteristics." Research indicates that these characteristics (1) can help create an environment that generally fosters children's development and (2) may have implications for specific aspects of a child's development, such as language development. For a discussion of the specific effects of structural characteristics on child development and on center quality, see Who Cares for America's Children? (1990) and Quality in Child Care: What Does the Research Tell Us? Deborah A. Phillips, ed. (Washington, D.C.: NAEYC, 1987).

## Child Development Fostered by Teachers With More Education or Specialized Training

Higher levels of education or specialized training in child development is a characteristic strongly related to the quality and frequency of a teacher's interaction with the child.[38] Teachers who have had postsecondary education and those with specialized training in early childhood education better encourage child development. For example, teachers with more training are less directive and more responsive to children's needs, and they encourage children's expressiveness. Teachers can obtain training in early childhood development as part of a college or university program, or they can obtain a Child Development Associate (CDA) credential.[39]

## Child Development Fostered by Low Child-to-Staff Ratio

Generally, experts recommend a ratio of no more than 10 children to 1 staff person in early childhood centers for children aged 3 and 4. Some researchers have found that low child-to-staff ratios facilitate good caregiving behaviors, such as use of developmentally appropriate practices and increased interactions between adults and individual children.[40]

## Child Development Fostered by Small Group Size

Small group size is also generally recognized as a feature contributing to the development of the child. For example, some studies have found that smaller group sizes are associated with more positive interactions between staff and children.[41] Recommended group sizes vary according to the age of the children. For children aged 3 and 4, experts recommend a group size of no more then 20 children.[42]

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[38] See Who Cares for America's Children?

[39] The U.S. Office of Child Development, now the Administration for Children, Youth, and Families, initiated the Child Development Associate program in 1971 in response to the need for qualified staff for early childhood programs, especially Head Start. Individuals who have accumulated 480 hours working with children in the last 5 years, have 120 hours of postsecondary training in early childhood education or development, and have met other related requirements may qualify for the credential.

[40] Research findings on the effects of low child-to-staff ratios have been mixed. For example, the National Day Care Study found that smaller child-to-staff ratios were important to the practices of providers caring for infants and toddlers but were not significant for older preschoolers. Other studies, however, found that low child-staff ratio is an important factor in children's and caregivers' behavior in center-based programs. See, for example, C. Howes and J. Rubenstein, "Determinants of Toddlers' Experiences in Daycare: Age of Entry and Quality of Setting," Child Care Quality, 14:140-151 and Deborah Phillips, "Thresholds of Quality: Implications for the Social Development of Children in Center-Based Child Care," Child Development, Vol. 63 (1992), pp. 449-460. A recent study strongly confirms the importance of a low child-to-staff ratio to the quality of care. In Cost, Quality, and Child Outcomes in Child Care Centers, a study conducted by the University of Colorado at Denver, the University of California at Los Angeles, the University of North Carolina, and Yale University (Jan. 1995), researchers report that this low child-to-staff ratio is "the most significant determinant of quality, even when controlling for other factors affecting quality."

[41] See C. Howes, "Caregiver Behavior and Conditions of Caregiving," Journal of Applied Developmental Psychology, Vol. 4 (1983) pp. 99-107 and "Thresholds of Quality: Implications for the Social Development of Children in Center-Based Child Care," pp. 449-460.

### Child Development Fostered by Low Teacher Turnover

Continuity in the adult-child relationship is important to foster child development; researchers use teacher turnover as one measure of continuity. The research has demonstrated that children develop best in centers where there is low teacher turnover. Low turnover is related to teacher compensation: teachers are more likely to remain in centers where they receive adequate salaries and benefits. While estimates of average teacher turnover vary, a 1992 study reported an average turnover rate of 26 percent between 1991 and 1992 in early childhood centers nationwide.[43] We previously found that high-quality centers had, on average, a 25-percent teacher turnover rate.[44]

### Child Development Fostered by a Curriculum

A curriculum, including daily and long-range plans for both groups of children and individual children, is a feature that fosters child development. Studies have shown that children develop better when their activities are planned to include a balance between those that are teacher-directed and child-initiated; structured and unstructured; small group, large group, and individual; and quiet and active.[45] In order to capture these dimensions, a curriculum needs to be written, according to experts.

## Parent Services Help Prepare Children for School

Encouraging parents to become actively involved in their children's learning can lead to more supportive interactions between parents and children; enhance the parental role as the principal influence in the children's education and development; and have positive impacts for both parents and children, according to experts. Children who receive encouragement and support from their parents are more likely to develop confidence and an expectation that they can succeed, attitudes that sustain an interest in learning.[46] In addition, parental involvement in children's learning experiences is an especially important element in preparing children for school. Children whose parents read to them and engage them in conversation are more likely to do better in school.[47]

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[42] This is the criterion established by NAEYC for early childhood programs seeking accreditation. See Accreditation Criteria and Procedures of the National Academy of Early Childhood Programs (Washington, D.C.: NAEYC, 1984).

[43] The National Child Care Staffing Study Revisited (Oakland, Calif.: Child Care Employee Project, 1992), cited this 26-percent rate, which is much lower than the 41 percent found in the 1988 National Child Care Staffing Study. The study included very few school-sponsored centers and no Head Start centers.

[44] See Early Childhood Education: What Are the Costs of High-Quality Programs? (GAO/HRD-90-43BR, Jan. 24, 1990). In this report, high-quality centers were those that met accreditation standards of NAEYC.

[45] See Who Cares for America's Children?

Parent practices are important in children's preparation for school, researchers have found. Parent services at centers can facilitate parental involvement by offering meetings with parents, involving parents at their child's center, supporting the parent's own development through general education or training opportunities, and visiting the child's home to help the parent expand on the child's center experience.

Because more parents work today, researchers and early childhood providers have begun to view full-day programs as a critical parent service. This service is necessary because it enables the parent to work and, at the same time, addresses the child's need for safe care that potentially helps her or his development. With welfare reform potentially requiring many more parents to work, full-day child care will almost certainly continue to be a pressing need.

## Health Care and Nutrition Services Help Prepare Children for School

The literature on early childhood development documents the importance of health care and nutrition to children's well-being, including their development and school achievement. Children who are in poor health may be absent from school more often or unable to perform in class, or they may exhibit disruptive behavior. In addition, untreated injuries or health problems can lead to permanent disabilities that impair a child's cognitive abilities. Finally, appropriate health care during the early childhood years can detect and treat conditions that affect a child's performance in school, such as learning disabilities.[48]

Numerous studies have also shown that poor nutrition adversely affects children's ability to learn. For example, children who are not well-nourished "perform poorly on problem solving and psychological, cognitive, verbal, and visual tests." Poor nutrition can also result in

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[46] "Zero to Three," Heart Start: The Emotional Foundations of School Readiness (Virginia: National Center for Clinical Infants Program, 1992).

[47] Ernest L. Boyer, Ready to Learn: A Mandate for the Nation (New York: Carnegie Foundation for the Advancement of Teaching, 1991).

[48] Nicholas Zill, Child Health and School Readiness. Researchers believe that many disadvantaged children have conditions that go undetected during their early childhood years. Reported rates of chronic health conditions that impair a child's activity are much higher for school-aged disadvantaged children—9.6 percent—than for those under age 5.

"apathy, inattentiveness, problems interacting with others, and other learning problems."[49]

The health services that early childhood centers can provide range from (1) requiring a physician's statement about the child's general health and immunization record; (2) screening for hearing, speech, and vision to identify problems; and (3) providing access or referral to health care providers to address the problems identified. For example, medical and dental examinations are a type of health service a center might provide or refer families to. Some centers may provide health care services to all children routinely, some only when the need arises. Providing regular nutritious meals and snacks is another important way centers can support a child's health.

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[49] Office of the Surgeon General, Parents Speak Out for America's Children: Report of the Surgeon General's Conference (Washington, D.C.: 1992).

# Most Disadvantaged Children Do Not Receive Services That Prepare Them for School From Early Childhood Centers

The majority of disadvantaged children do not attend early childhood centers to help them prepare for school, in spite of the first national education goal that all children have access to high quality, developmentally appropriate preschool. Many of these children stay at home or in family child care homes, where high-quality services can be provided but a full range of services is often unavailable. Of the disadvantaged children who do attend centers, most attend centers less likely than Head Start centers to provide the full range of services. Even Head Start centers, however, vary in the quality of services provided and in the percentage of children actually receiving services, according to recent studies.

Of the disadvantaged children who do attend early childhood centers, most attend school-sponsored, nonprofit, or for-profit centers. However, school-sponsored centers are less likely than Head Start to provide parent and health services; and for-profit and nonprofit centers are less likely than Head Start to provide child development, parent, and health services. All centers provide nutrition services through regular meals and snacks.

## Most Disadvantaged Children Do Not Attend Early Childhood Centers

Disadvantaged children, who are most likely to face difficulties upon entering school and who would benefit most from attending early childhood centers, are the least likely to attend them.[50] According to our analysis of the 1990 decennial census, about 65 percent of disadvantaged children—a total of 1.8 million children—did not attend early childhood centers in 1989. By contrast, only about 40 percent of children in high-income families—those who earn above $63,370 for a family of four—did not attend early childhood centers (see fig. 3.1).[51]

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[50] Disadvantaged children in this database refers to those identified as receiving some form of public assistance, including AFDC, food stamps, or WIC benefits.

[51] See Poor Preschool-Aged Children: Numbers Increase but Most Not in Preschool (GAO/HRD-93-111BR, July 21, 1993). These children are disadvantaged because they live in families with an annual household income at or below 185 percent of OMB's definition of poverty. The 1990 census, which we used for this tabulation, has a number of limitations. First, it captures responses to a question that asked whether or not a child is enrolled in school and specified "nursery school" as an example. Thus, answers to this question may be difficult to interpret, given the variety of early childhood settings and the terms used to describe them. Second, this census data may be an underestimate since enrollments at all levels of education were underreported by 5 percent, according to Census officials. Our finding, however, is supported by another database, the 1991 National Household Education Survey, National Center for Education Statistics, Department of Education (Washington, D.C.: Feb. 1993), which is based on responses to a series of questions designed to capture the full range and variety of children's experiences in nonparental care. This survey reports fewer disadvantaged children not attending early childhood centers, but similar patterns across income levels. For example, this survey found that about 55 percent of children in families with incomes below $30,000 per year did not attend an early childhood center, compared with 20 percent of children whose families earn more than $75,000 per year.

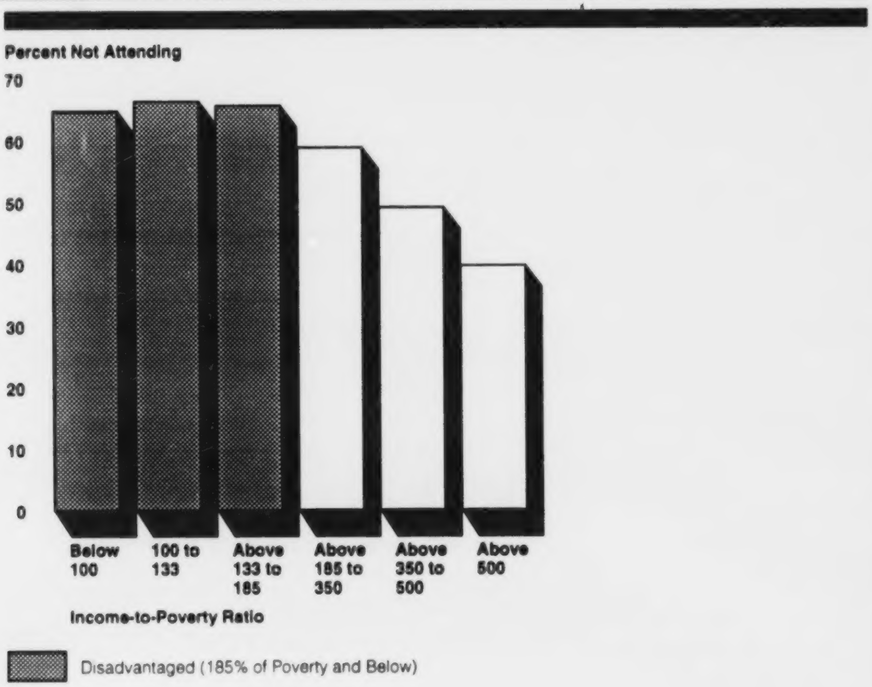

**Figure 3.1: Most Disadvantaged Children Do Not Attend Early Childhood Centers**

In all states, the majority of disadvantaged children—from 55 to 74 percent—did not attend early childhood centers. In 16 states, 70 percent or more did not attend (see fig. 3.2).[52]

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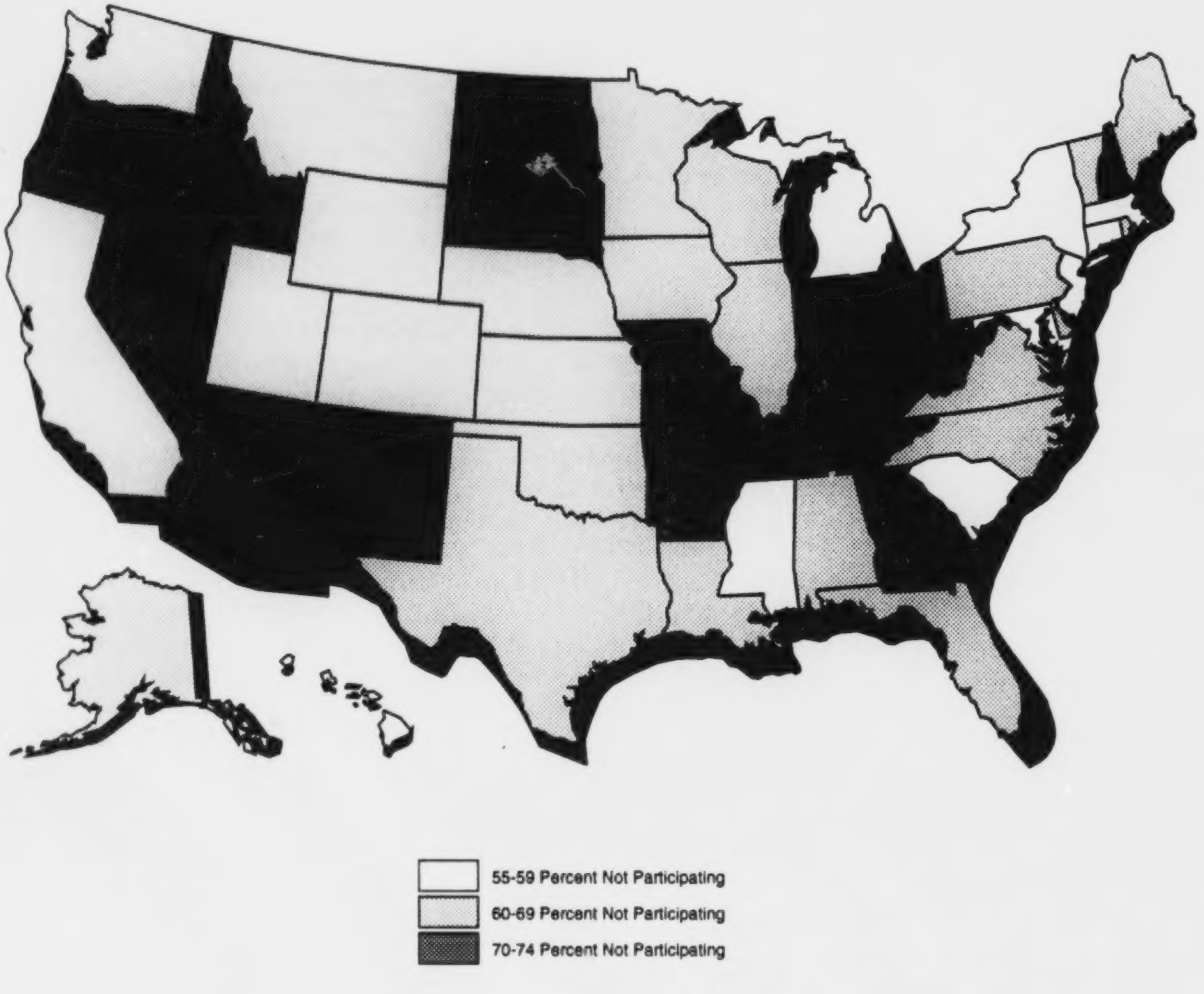
[52] In the District of Columbia, a lower percentage of disadvantaged children—49 percent—did not attend early childhood centers compared with the 50 states.

Figure 3.2: Majority of Disadvantaged Children in All States Do Not Attend Early Childhood Centers


55-59 Percent Not Participating
60-69 Percent Not Participating
70-74 Percent Not Participating

Although Head Start funding almost doubled from $1.6 billion in 1990 to $2.8 billion in 1993,[53] Head Start served only an estimated 29 percent of all eligible 3- and 4-year-old children in 1993. In addition, many disadvantaged children are in families whose incomes are not low enough to qualify for Head Start, although they are low enough to qualify for other forms of public assistance.

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[53] The expansion of Head Start continues with fiscal year 1994 appropriations of $3.3 billion and fiscal year 1995 appropriations of $3.5 billion.

Instead of attending early childhood centers, many disadvantaged children stay at home or in another's home, either a relative's or nonrelative's. A recent study of child care use among families with low incomes found that 51 percent of the children aged 5 and younger of employed single mothers were either cared for in a relative's home or in family day care. Recent family child care studies have identified successful efforts that improve the quality and extend the services offered in family child care.[54]

Though some family child care providers offer high-quality services, family child care often lacks features that foster child development and does not offer parent or health services.[55] Recent research on children, including the disadvantaged, who are cared for in homes other than their own found that while a minority of providers gave care that fostered children's development, most providers gave "adequate care" that neither helped nor hindered children's development.[56]

Family child care providers who are also low income often encounter difficulties providing disadvantaged children with a full range of services to prepare them for school. These providers also face significant barriers in obtaining information and resources, including training, to enhance the quality of care they provide. While recent efforts by both federal and state governments aim to improve the quality and extend the kinds of services provided in family child care, family child care providers are still highly decentralized and among the "most isolated of child care services." [57]

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[54] See Using Federal Funds to Expand and Improve Child Care: Focus on Family Day Care, National Center for Children in Poverty, Family Day Care Initiative Brief (May 1991). Innovative programs, funded by federal and state governments and private organizations, are designed to link family child care providers with one another and other services to facilitate their providing a full range of services to children. For example, see our recent study, which reports on 11 such efforts, Child Care: Promoting Quality in Family Child Care (GAO/HEHS-95-36, Dec. 7, 1994).

[55] As mentioned previously, some states are now focusing efforts on improving the quality of care in family child care settings. See Family Child Care: Innovative Programs Promote Quality (GAO/T-HEHS-95-43, Dec. 9, 1994).

[56] Ellen Galinsky, Carollee Howes, Susan Kontos, and Marybeth Shinn, The Study of Children in Family Child Care and Relative Care (New York: Families and Work Institute, 1994). The findings of this study are not nationally representative but reflect care outside the home in three communities in which low-income and minority areas were oversampled.

[57] See Using Federal Funds to Expand and Improve Child Care: Focus on Family Day Care.

## Many Disadvantaged Children Attend Centers That Provide Limited Services

Of disadvantaged children who attend early childhood centers, our analysis of national data indicates 59 percent attend centers that are less likely than Head Start centers to provide the full range of child development, parent, and health services (see fig. 3.3).[58] These disadvantaged children attend nonprofit centers (30 percent) or for-profit centers (11 percent), both of which are less likely than Head Start centers to provide any of these services; others attend school-sponsored centers (18 percent), which may not provide parent and health services but are likely to provide child development services.

The remaining disadvantaged children attend Head Start centers (41 percent). Although Head Start centers generally provide a full range of services, the quality of services does vary as does the percentage of children actually receiving services, according to recent studies. A 1993 report of the Office of Inspector General, HHS, found that the percentage of Head Start children actually receiving health services was not as high as reflected in HHS reports and databases.[59] In addition, the quality of Head Start services was a key issue for the Advisory Committee on Head Start Quality and Expansion, created in 1993 by the current administration to aid in the recent Head Start reauthorization.[60] In response to such concerns, the 1994 reauthorizing legislation amended the program to require, for example, that HHS terminate an agency's designation as a Head Start grantee, after determining a program is deficient, if the grantee agency fails to promptly address the deficiency.[61]

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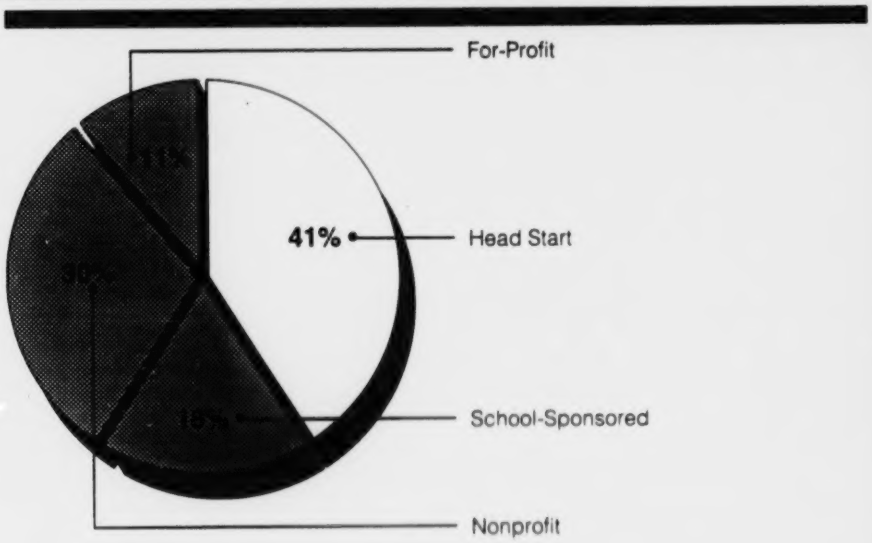
[58] The distribution of disadvantaged children attending the various center types was estimated using data on the percentage of children receiving public assistance as reported in the Mathematica survey. Although some children may attend more than one kind of center, we believe that number is small. For a detailed methodology of the analyses, see appendix III.

[59] Evaluating Head Start Expansion Through Performance Indicators, Office of Inspector General (Washington, D.C.: HHS, 1993).

[60] HHS has undertaken several new initiatives to improve Head Start quality in response to the Advisory Committee's recommendations. Among these initiatives are the development of partnerships with other federal programs such as WIC to increase Head Start families' access to services, an extensive national assessment of Head Start grantees' training and staff development needs, and the establishment of seven workgroups that are focusing on developing strategies for implementing quality improvement initiatives. For example, the workgroup on Performance Standards and Performance Measures has held a series of focus groups on how Head Start performance standards should be revised. The workgroup is now rewriting the standards.

[61] Agencies receiving Head Start funds to operate programs are known as grantees and are authorized to subcontract with separate organizations—delegate agencies—to carry out Head Start programs. Grantees provide both administrative and programmatic support to their delegate agencies. HHS has identified 125 grantees as "poor performers," and the appropriate regional offices are now working with these grantees to improve their performance. Of the identified poor performers, six grantees have had grants terminated or voluntarily relinquished their grants.

Figure 3.3: Many Disadvantaged Children Are in Centers Other Than Head Start



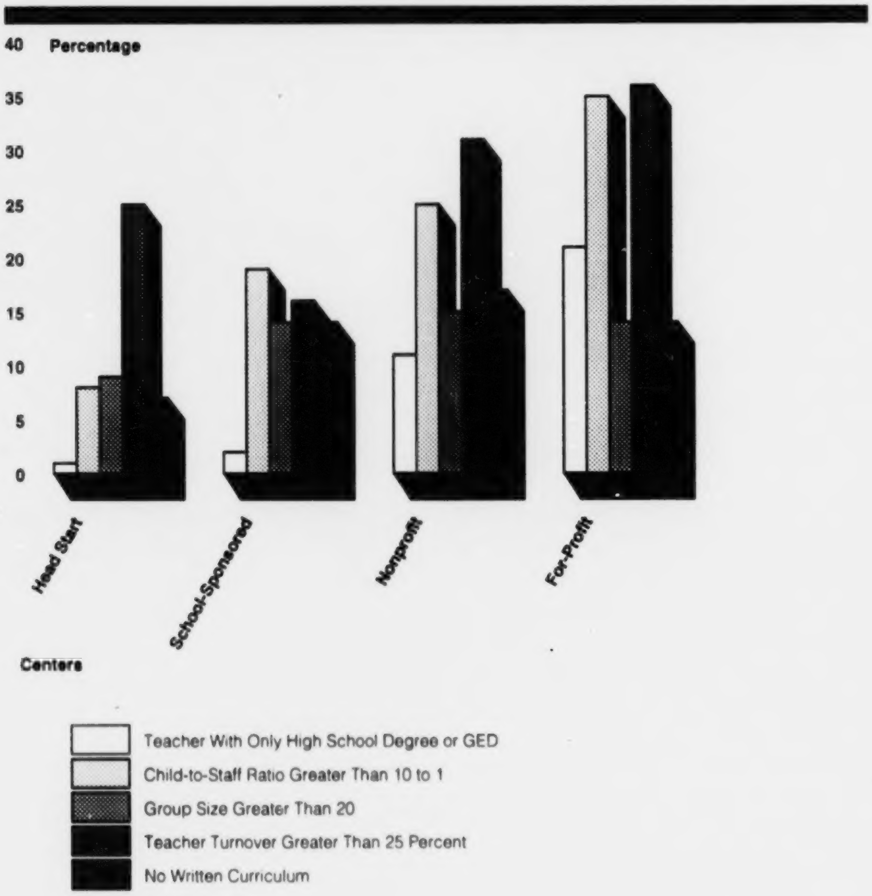
Source: GAO analysis of Mathematica Policy Research, Inc., data.

## For-Profit and Nonprofit Centers Are More Likely to Lack Features of Child Development Services

Although some for-profit and nonprofit centers may be model centers because they offer all features of child development services, others lack these features. Our analysis of national data indicates that, overall, for-profit and nonprofit centers are more likely to lack features of child development services compared with school-sponsored or Head Start centers, according to center directors (see fig. 3.4).

To determine whether or not a center provides child development services, we looked at features that foster child development. As described in chapter 2, these features include teachers with more than a high school diploma or General Equivalency Degree (GED), a ratio of 10 children or fewer to one staff member, a group size of 20 or fewer, teacher turnover no higher than 25 percent annually, and a written curriculum. These features can help create an environment that enhances the teacher's capacity to be more responsive to the needs of the child, thereby promoting the child's development. In addition, for-profit and nonprofit centers received lower ratings in a recent observational study of interactions between teachers and children.[62]

**Figure 3.4: For-Profit and Nonprofit Centers More Likely to Lack Features of Child Development Services**



Source: GAO analysis of Mathematica Policy Research, Inc., data.

## For-Profit and Nonprofit Centers

For-profit and nonprofit centers are more likely to lack features of child development services compared with other kinds of centers, even though many do provide such services (see fig. 3.4). For example, our analysis indicates that for-profit and nonprofit centers are more likely to employ teachers with only a high school diploma or GED. In for-profit centers, more than 1 in 5 teachers (21 percent) have earned no more than a high school diploma or GED; in nonprofit centers, more than 1 in 10 teachers (11 percent) have earned only a high school diploma or GED. In high-poverty areas, a greater percentage of teachers in for-profit and nonprofit centers have only a high school diploma or GED compared with low-poverty areas.[63] By contrast, virtually all teachers in both Head Start and school-sponsored centers have more than a high school diploma or GED.[64]

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[62] This study used multiple instruments to measure interactions between teachers and children, the behavior of both teachers and children in the classroom, and the overall classroom environment. See The Observational Study of Early Childhood Programs, Development Assistance Corporation (Washington, D.C.: Department of Education, 1993). See also Cost, Quality, and Child Outcomes in Child Care Centers, which found that most child care centers do not provide care that meets children's needs for health, safety, warm relationships, and learning.

More than a quarter of for-profit and nonprofit centers (35 and 25 percent, respectively) have child-to-staff ratios higher than 10 to 1—at least three times the percentage among Head Start centers (8 percent). Only with regard to group size are for-profit and nonprofit centers about the same as other kinds of centers; 14 percent of for-profit and 15 percent of nonprofit centers have large groups of more than 20 children.

For-profit and nonprofit centers also reported high rates of turnover. About a third of for-profit centers and nonprofit centers lost more than one in four of their teachers during the previous year. However, Head Start centers reported high turnover rates as well. With regard to written curricula, for-profit (14 percent) and nonprofit (17 percent) centers are more likely to have no written curriculum than Head Start centers (7 percent).

When comparing for-profit and nonprofit centers to each other, differences emerge. According to the national data, for-profit centers are less likely than nonprofit centers to have features of child development services. For example, for-profit centers were more likely to employ teachers with only a high school diploma or GED and to report child-to-staff ratios above recommended levels.

The nonprofit and for-profit centers that we visited varied in their child development services. While many had features that conformed to the recommendations of child development experts, some did not. For example, a nonprofit center in Michigan and a for-profit center in California had teachers with no training beyond a high school diploma. With regard to group sizes, a Michigan nonprofit center served children aged 2-1/2 to 12 in a group as large as 40 children, although the group size fluctuated because some children were served part time and after school or on a drop-in basis. Similarly, a nonprofit center in California had a group of 36 children aged 2 to 5.

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[63] Our analysis of the Mathematica database by poverty area revealed that 29 percent of the for-profit centers in high-poverty areas had teachers with no more than a high school diploma or GED compared with 13 percent in low-poverty areas. Seventeen percent of nonprofit centers in high-poverty areas had teachers with no more than a high school diploma or GED compared with 5 percent in low-poverty areas.

[64] The vast majority of teachers in school-sponsored centers (87 percent) have a bachelor's or graduate degree.

## School-Sponsored Centers

School-sponsored centers provide children with most features of child development services. Compared with for-profit and nonprofit centers, school-sponsored centers are less likely to lack features of child development services. Our analysis of national data indicates that virtually all teachers in school-sponsored centers (98 percent) have at least some college or an associate's degree; 87 percent have a bachelor's or graduate degree.[65] Few directors of school-sponsored centers reported high rates of turnover: only 16 percent of these centers have a turnover rate greater than 25 percent.

In addition, directors of nearly one-fifth (19 percent) of school-sponsored centers reported a child-to-staff ratio exceeding the recommended 10 to 1. There are no significant differences between school-sponsored centers and other kinds of centers in terms of group size: 14 percent have large groups of more than 20 children. School-sponsored centers (14 percent) are about as likely as nonprofit (17 percent) and for-profit centers (14 percent) not to use a written curriculum.

In all four states, school-sponsored centers we visited had features that were generally consistent with expert recommendations for child development services. Almost all teachers in the school-sponsored centers we visited had bachelor's or master's degrees in education; most of these degrees were in early childhood education, and many of the teachers also had earned other forms of early childhood certification. All of the school-sponsored centers we visited maintained child-to-staff ratios and group sizes within limits recommended by experts. For example, two Michigan centers maintained lower child-to-staff ratios and group sizes than recommended by experts and served groups of 18 children, with 1 staff member to every 9 children.

## Head Start Centers

Head Start centers generally exhibit the features important to child development. Virtually all teachers—99 percent—have at least some college or an associate's credential; 45 percent have a bachelor's or graduate degree.[66] Head Start centers are less likely than all other kinds of centers to have a child-to-staff ratio greater than 10 to 1; only 8 percent of Head Start center directors reported higher ratios. Although only 9 percent of Head Start centers exceed the recommended group size of 20 children, that is not a significant difference from other kinds of centers. As for written curricula, only 7 percent of Head Start centers do not use one compared with 17 percent of nonprofit and 14 percent of for-profit centers.

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[65] Unless the teacher specifies child development associate's degree, the Mathematica database does not specify whether or not a teacher's education is in a child development-related field.

However, in one area, Head Start centers do little better than nonprofit centers. Children in some Head Start centers are likely to experience a lack of continuity in care that comes from high staff turnover. Head Start center directors reported turnover rates close to those experienced by nonprofit centers; a quarter of Head Start centers had lost more than one in four staff members during the previous year.

## Parent Services Less Likely to Be Available in Centers Other Than Head Start

Although involving parents in a child's learning has been shown to positively influence child development, parent services were less likely to be available in school-sponsored, nonprofit, and for-profit centers than in Head Start centers.[67] According to our analysis of national data, the only exception was meetings with parents of each child; directors of a majority of all kinds of centers reported that these meetings were regularly scheduled, as illustrated in figure 3.5. Centers other than Head Start, however, were less likely to involve parents in other activities, for example, as classroom volunteers or in governance efforts such as selecting staff or reviewing budgets. Head Start centers were more likely to get parents to attend workshops or classes and send staff to visit each child's home. A substantial proportion of school-sponsored center directors reported involving parents in all of these activities. Our analysis of the Mathematica database by poverty area revealed no statistically significant differences between high- and low-poverty areas in terms of any of the parent services.

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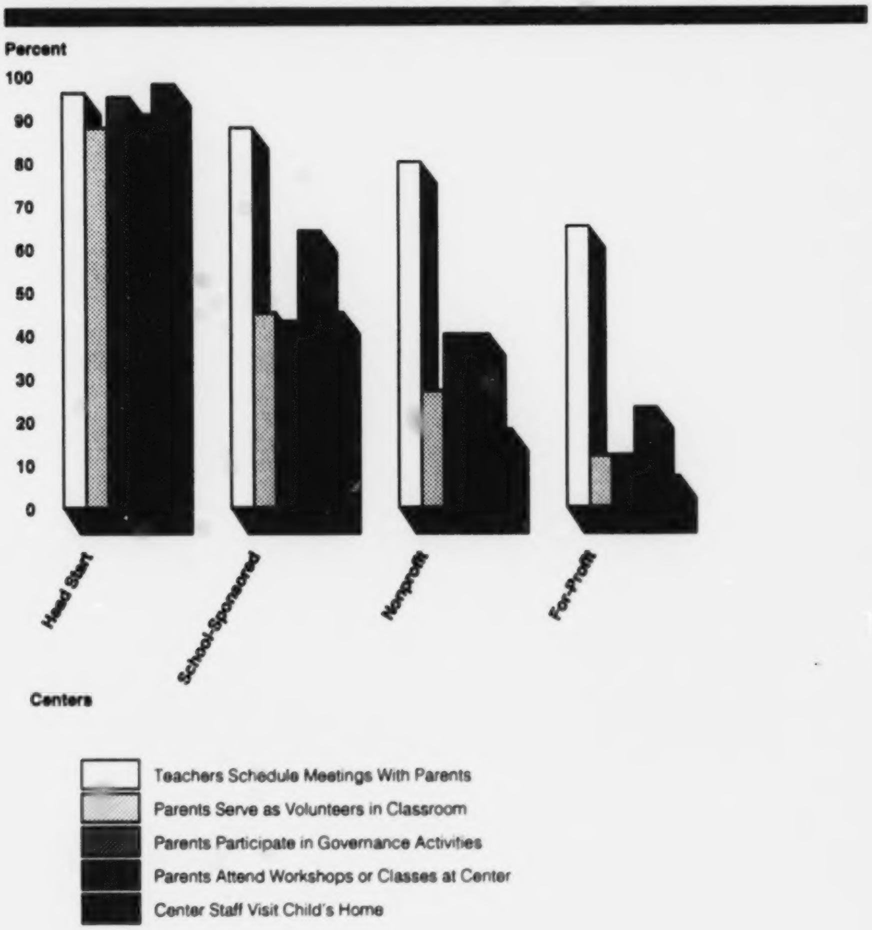
[66] Head Start centers are unique in the high proportion of teachers with a child development associate's credential. While 29 percent of Head Start teachers have this credential, a much lower proportion of teachers in other kinds of centers have it. Beginning September 30, 1996, each Head Start classroom will have to have a teacher who has the child development associate's or comparable credential.

[67] The Mathematica survey asked center directors if parents regularly participate in each of a number of activities. The survey also asked if staff regularly schedule meetings with parents or do home visits. The data do not reflect the number of parents that actually participated in each activity.

Figure 3.5: Parent Services Less Likely to Be Available in Centers Other Than Head Start



Source: GAO analysis of Mathematica Policy Research, Inc., data.

All three for-profit centers that we visited offered only limited parent services. For example, a for-profit center in Louisiana offered individual parent conferences only when there was an extreme discipline problem. Some nonprofit centers we visited, however, were able to provide more extensive parent services. A Michigan nonprofit center, for example, offered more parent services, including GED classes for parents; the center was sponsored by a community center that made such services available.

One nonprofit center we visited in California provided referrals to services on the basis of a needs assessment done for each parent. A parent advisory committee meets monthly, and, according to the center director, virtually all parents volunteer in some fashion.

The school-sponsored centers we visited typically offered more parent services than the for-profit and nonprofit centers. Although school-sponsored centers did not have paid parent coordinators, as did Head Start centers, one school-sponsored center used a volunteer parent as a liaison to encourage other parents to get involved in center activities. Some school-sponsored centers also offered training in better parenting and, sometimes, referred parents to education or training opportunities to support the parent's own development. Directors of some school-sponsored centers reported that staff visited children's homes; however, in some cases this was done only if a child was experiencing problems.

Recognizing the importance of parent involvement, some school-sponsored centers we visited were attempting to expand parent services. For example, a center in Louisiana was planning to hire an early childhood facilitator to design parent workshops, according to school officials. A Michigan center was trying to strengthen the commitment of parents to the center by having them sign a contract at the beginning of the year pledging to (1) volunteer at least once a month and (2) help children with learning activities at home.

The Head Start centers we visited took an active approach to parent involvement, combining a range of services with frequent parent contact. These centers sometimes employed a parent coordinator, who might be shared with several other centers through the grantee or delegate agency. Coordinators worked directly with parents to help involve them at the center and to help them gain access to other services. Almost all centers offered individual conferences with parents at least twice a year; in two Head Start centers, conferences took place once a month. In the centers we visited, center directors reported that home visits were conducted routinely for each child, sometimes several times a year. All Head Start centers also offered a range of activities to parents, from serving on the center's policy council to taking training in how to be a better parent, as well as literacy and GED classes.

## Health Services Less Likely to Be Provided in Centers Other Than Head Start

Although good health is important to a child's preparedness for school, centers other than Head Start were not likely to provide many health services, according to our analysis of national data (see fig. 3.6).[68] Nonprofit and for-profit centers were least likely to provide health services; in only about half of these centers, according to directors, were screenings for hearing, speech, and vision problems provided; provision of physical or dental examinations was rare. School-sponsored centers almost always provided screenings for hearing, speech, and vision problems, but less than a third offered physical or dental examinations. However, school-sponsored centers in high-poverty areas were more likely to offer dental examinations than were those in low-poverty areas.[69] Head Start centers provided more health services or referrals to these services than other kinds of centers. Directors of the vast majority of Head Start centers reported providing physical examinations and dental examinations, as well as screenings for hearing, speech, and vision problems.

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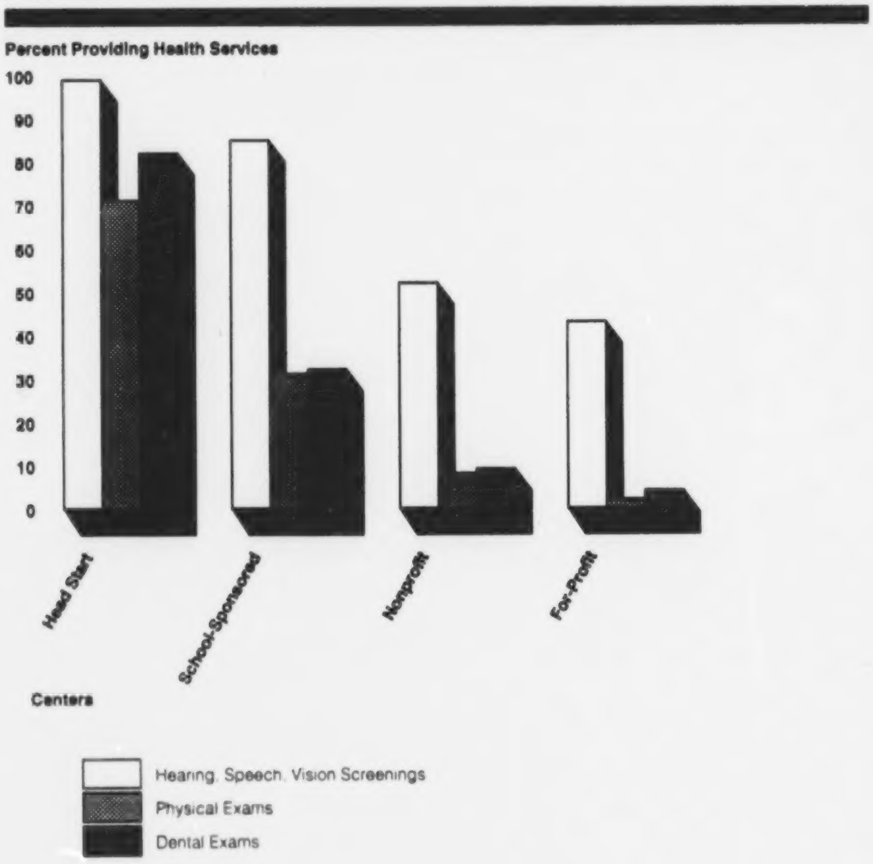
[68] The Mathematica survey asked center directors whether their centers "provide" specific health services. Our case studies show that some centers may "provide" these health services by referring the child to another agency instead of delivering the service directly. The data do not reflect whether or not children actually received health services.

[69] Our analysis of the Mathematica database by poverty area revealed that 39 percent of school-sponsored centers offered dental exams in high-poverty areas compared with 12 percent in low-poverty areas. While a greater percentage of school-sponsored centers offered other types of health services (physical exams and screenings for hearing, speech, and vision) in high-poverty areas compared with low-poverty areas, the differences were not statistically significant.

**Figure 3.6: Health Services Less Likely to Be Provided in Centers Other Than Head Start**



Source: GAO analysis of Mathematica Policy Research, Inc., data.

In the states we visited, all nonprofit and for-profit centers required statements from physicians about the status of the child's health, including immunizations. However, some of the nonprofit and for-profit centers we visited offered few health services beyond such protections.[70] A Louisiana for-profit center, for example, was unable to offer any health services other than to alert social workers to a serious health problem that a parent was neglecting.

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[70] Basic health and safety protections guard against the spread of contagious disease, help providers meet emergency and other health needs of sick children, and protect against fire and other disasters. These protections do not include the provision of screenings for hearing, speech, and vision problems; physical and dental exams; or referral and follow-up to promote children's general health.

In two states, some nonprofit centers that we visited went beyond this minimum, however. In California, centers funded by the state were required to identify the health needs of children, refer them for services, and provide follow-up. In Michigan, several centers we visited also provided some health-related screenings and had staff make referrals and follow up to help ensure children received services. The existence of several children's initiatives in Michigan—including vision and hearing screening programs—made it possible for these centers to gain access to the additional services for their children. Unlike Head Start centers, however, these centers in Michigan and California did not employ health coordinators to provide or refer children to health services, nor did these centers have funds to pay for treatment if no other source of funding was available.

The school-sponsored centers we visited often provided more health services than nonprofit and for-profit centers. For example, school-sponsored centers generally screened all children for health problems. In centers we visited in Louisiana, Maryland, and Michigan, affiliation with the public school system helped these centers obtain some health services.[71] As part of the school system, some school-sponsored centers had access to health staff, such as nurses and social workers. School-sponsored centers could also refer children to schoolwide teams to (1) determine whether a child was eligible for special education services because of a disability or (2) make referrals to a community service or private medical provider. However, staff in two centers said these school system services were spread thinly across all children in a school or several schools. Therefore, some health services were not provided routinely but only when a need arose. In California, school-sponsored centers were required to refer children to health providers and then follow up on the problems that were identified by the screenings.

Head Start centers we visited devoted staff and other resources to help ensure that all children received the health services, including screenings and treatment, required by Head Start performance standards. Some Head Start centers had coordinators, shared with other centers through the grantee or delegate agency, to provide or refer children to health services. The coordinator in one center we visited was a nurse. In addition, a few centers had a health aide to ensure that each child received care. Some centers hired other health care providers, such as child psychologists, through the grantee. All Head Start centers can use Head Start funds to help pay for health care if no other source is available to the child.

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[71] The school-sponsored centers we visited in California were colocated with Head Start centers and followed Head Start standards. All children attending these centers—most of whom were also Head Start-eligible—received all health services typically offered through Head Start.

## Nutrition Services Provided by Most Centers

Most centers of all kinds provide nutrition services through regular meals and snacks, according to our analysis of national data. Head Start centers generally fund meals and snacks through the U.S. Department of Agriculture (USDA) food assistance program, called the Child and Adult Care Food Program (CACFP), which provides cash reimbursement and donated food.[72] School-sponsored, nonprofit, and for-profit centers are much less likely than Head Start centers to participate in CACFP. (See fig. 3.7.) However, nonprofit and for-profit centers participate at higher rates in high-poverty areas compared with low-poverty areas.[73]

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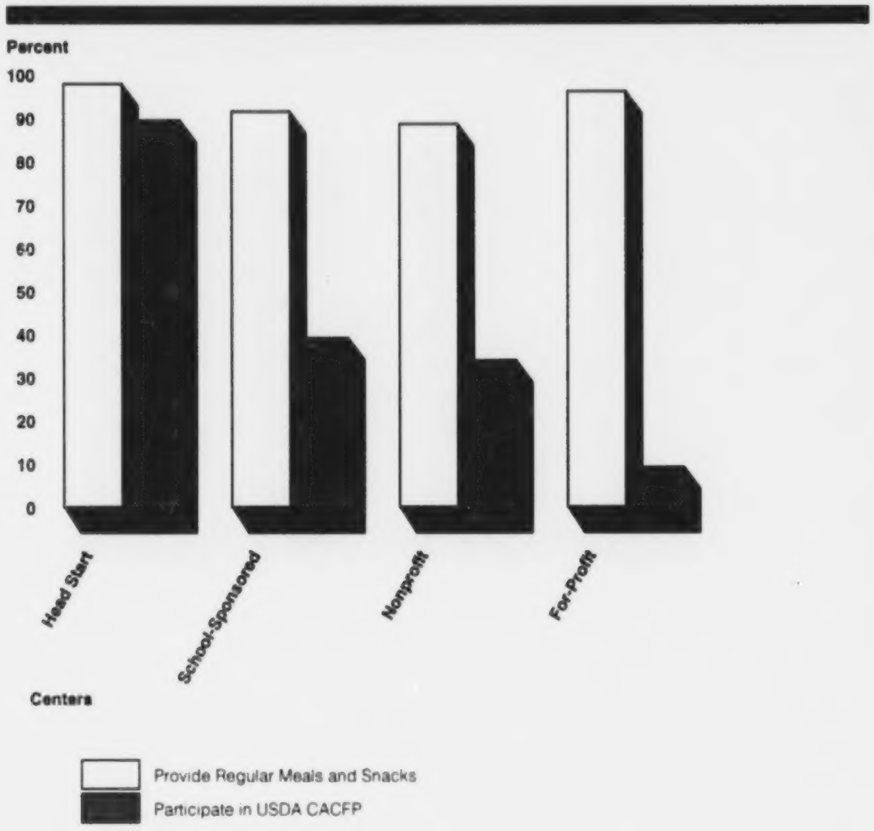
[72] CACFP is one of many USDA food assistance programs. In addition to serving elderly or impaired adults in adult care centers, its purpose is to provide nutritious meals and snacks to children by providing cash and commodity foods to maintain nonprofit meal services in nonresidential institutions such as child care centers.

[73] Our analysis of the Mathematica database by poverty area revealed that 52 percent of nonprofit centers participated in CACFP in high-poverty areas compared with 20 percent in low-poverty areas. Sixteen percent of for-profit centers in high-poverty areas participated in CACFP compared with 3 percent in low-poverty areas.

**Figure 3.7: Most Centers Offer Regularly Prepared Meals and Snacks**



Source: GAO analysis of Mathematica Policy Research, Inc., data.

Most school-sponsored centers that we visited funded meals through CACFP or the National School Lunch Program, another USDA food assistance program.[74] Although all nonprofit and some for-profit centers we visited are eligible to participate in CACFP, two for-profit centers had to supply their own food because they experienced difficulties qualifying for the program. For-profit centers are allowed to participate in CACFP only if 25 percent of enrolled children or 25 percent of the center's licensed child capacity is eligible to receive compensation under Title XX of the Social

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[74] The National School Lunch Program provides cash and commodity foods through schools, both public and private nonprofit.

Security Act.[75] USDA has undertaken a pilot project to test expanding the eligibility of for-profit centers for CACFP; under the pilot project, for-profit centers qualify if 25 percent of children are from families whose incomes are at or below 185 percent of the federal poverty level. In part because of the cost implications of increasing participation among centers, CACFP has not yet been expanded to include more for-profit centers by using this eligibility criterion.

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[75] States have the discretion to use Title XX funding for a variety of social service-related purposes, including child care, and are allowed to set their own eligibility requirements.

# Limited Places and Subsidies, as Well as Narrow Program Missions, Impede Centers' Efforts to Provide Services to Disadvantaged Children

We found two key reasons why many disadvantaged children may not receive the full range of needed center services. First, many disadvantaged children are unable to enroll in early childhood centers because of either the limited places available or limited subsidies. Second, programs that fund these centers have historically had narrow missions that constrain the provision of needed services so that even those disadvantaged children who attend centers do not necessarily receive the full range of services they need to be prepared for school.

Such constraints in the provision of services result from (1) program standards, (2) the allocation of scarce resources, and (3) barriers to collaboration between centers so that they can expand services. Nevertheless, some state and local initiatives have demonstrated how a full range of services can be provided to disadvantaged children; such initiatives have required added resources and substantial efforts by program administrators to overcome differences between programs.

## Limited Places and Subsidies Contribute to Low Participation

Low participation of disadvantaged children in early childhood centers appears to result, at least partially, from lack of places available in early childhood centers. Even with the expansion of Head Start, the growing number of disadvantaged children means that there are not enough places in centers for all the children whose parents want them to attend. The number of disadvantaged 3- and 4-year-old children, according to our analysis of the 1990 decennial census, increased from 2.4 million in 1980 to 2.8 million in 1990, a 17-percent increase. Even Head Start—the largest federal child development program—is funded at a level that permits serving only 752,000 children in fiscal year 1995. Information on the number of 3- and 4-year-old children enrolled in other federal and state-funded early childhood programs is limited.[76]

The gap between the number of disadvantaged children and the number served by early childhood centers, however, is not an accurate indicator of the demand for center places. Parents may not seek to enroll their children in centers because they prefer other arrangements, such as care in their own home or in family child care, or their access to centers may be impeded by inconvenient hours of operation, as discussed later in this chapter, or by high costs.

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[76] Some of these other programs are Title I, AFDC Child Care, Transitional Child Care, At-Risk Child Care, and CCDBG, as shown in appendix I. No counts at all are available for the Title XX-Social Services Block Grant program. The Children's Defense Fund estimated that 270,000 children attended state child development programs in the 1991-92 school year.

In every low-income census tract that we visited, we found at least one center that had a waiting list, indicating there may not always be enough places within centers to meet demand. Several centers reported that children on waiting lists were placed quickly. In three centers, however, staff said some parents enrolled their child more than a year before the child was old enough to attend in order to ensure the child would get a place at the center. Of the four states we visited, some of the longest lists we found were for centers in California. For example, one nonprofit center in California served 46 children in the 1992-93 school year. During the year, however, 148 children were placed on the center's waiting list and remained there throughout the year, center staff reported. A center sponsored by both Head Start and the public school system in California served 185 children in the 1992-93 school year, but 182 children were on its waiting list that same year. Waiting lists, however, are an imperfect measure of the need for services.[77]

Even when places are available, limited subsidies for families to obtain child care can also make it difficult for children to enroll in early childhood centers. Many eligible parents are unable to obtain subsidies under federal and state child care programs, state officials reported.[78] Louisiana officials claimed that the parents of 6,000 eligible children were waiting for CCDBG subsidies because of inadequate funding. In our May 1994 study of federal child care programs, we also reported that many parents were waiting for subsidies in five of six states visited—California, Illinois, Massachusetts, New York, and Texas—because of limited funding.[79] Parents of an estimated 40,000 children were waiting for subsidies in Texas. Also in the May 1994 study, we cited a 1991 survey of those waiting for subsidized care in California, which found approximately

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[77] Qualifications concerning waiting list numbers are well known. A waiting list may overstate interest when it is not regularly updated, or when it includes parents that place a child's name on more than one waiting list. In addition, a longer waiting list might simply be a reflection of the popularity of a center. In contrast, a waiting list may understate interest when it does not include the names of children whose parents were discouraged by the length of the wait, or when a center restricts the number of children's names on waiting lists.

[78] As discussed in chapter 1, federal child care programs primarily provide subsidies for low-income families to obtain child care. Under CCDBG, Title IV-A At-Risk Child Care, or state child care programs, parents might have to wait for subsidies. The remaining Title IV-A federal child care programs—AFDC Child Care and Transitional Child Care—are entitlements to recipients or families. All federal child care programs provide subsidies for low-income families to obtain care in settings of the parent's choice, not limited to care provided in an early childhood center. For example, these programs might fund care in a family child care home. We did not examine whether or not parents wait for subsidies under Title XX.

[79] Child Care: Working Poor and Welfare Recipients Face Service Gaps (GAO/HEHS-94-87, May 13, 1994). Further limiting the access of working poor, nonwelfare families to child care is the fact that some states are using CCDBG funds to meet AFDC Child Care entitlements.

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255,000 children who were not yet served. Michigan—the only other state included in that study—did not track the number of parents waiting for subsidies.

## Narrow Program Missions Constrain Provision of Services

The programs that fund many early childhood centers have historically had narrow missions that constrain centers' provision of the full range of services. The services provided by all types of centers appear to be most often related to the missions of the funding programs. These missions are reflected in variations in programs' standards, allocation of scarce resources, and differences in programs that create barriers to collaboration.

### Mission of Federal Child Care Programs Focused on Needs of Parents

The mission of the federal programs that subsidize care in nonprofit and for-profit centers is primarily focused on providing child care so that parents can work or attend school or training for employment. For example, the legislation for Title IV-A of the Social Security Act and CCDBG authorizes federal funds to assist parents purchasing child care services while they work or attend training for employment. Because these programs place more emphasis on parental employment and less on child development, parents are free to use subsidies to obtain care in any setting, regardless of whether it provides a full range of services for the child. Some experts have expressed concern that the subsidies provided to parents under these programs are generally too low to meet the cost of centers that, at a minimum, have features of child development services.[80] As a result, parents may be forced to enroll their children in centers they can afford, which may offer fewer services, rather than in centers that provide a full range of services.

Parents may also be forced to choose centers that do not provide the full range of services because they need full-day care for their children. Nonprofit and for-profit centers are much more likely to offer full-day care than other kinds of centers. According to our analysis of the Mathematica database, few Head Start and school-sponsored centers (less than 35 percent) provide full-day care, but most nonprofit and for-profit centers do (see fig. 4.1). Nonprofit and for-profit centers are even more likely to offer full-day care in high-poverty areas than in low-poverty areas.[81] Unfortunately, as we discussed in chapter 3, for-profit and nonprofit centers are less likely than other kinds of centers to provide the full range of child development, parent, and health services. Our case studies also reflect this problem. According to staff in a California center sponsored by Head Start and the public school system, about half of the parents work full time and have told center staff they need full-day services. A survey conducted by a panel of advisers convened in 1989 by the National Head Start Association revealed that the greatest need of Head Start parents is for full-day services.

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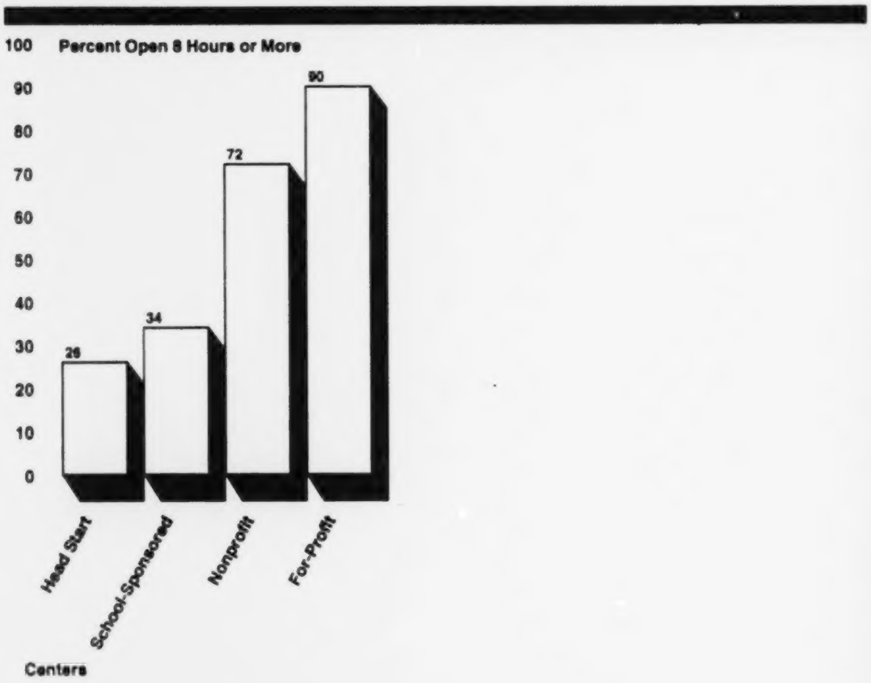
[80] Nancy Ebb, Child Care Tradeoffs: States Make Painful Choices (Washington, D.C.: Children's Defense Fund, Jan. 1994). This study finds that while AFDC children can and should benefit from more comprehensive child care and preschool programs, limited funds and federal policy directives increase the possibility that these children will get low-quality care. Needed improvements include allowing states to pay more reasonable rates; creating opportunities for AFDC children to benefit from Head Start; strengthening protections for AFDC Child Care; and restoring funding for AFDC-linked quality improvements such as licensing, monitoring, and training.

Figure 4.1: Full-Day Care Not Provided by Most Head Start and School-Sponsored Centers



Source: GAO analysis of Mathematica Policy Research, Inc., data.

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[81] Our analysis of the Mathematica database by poverty area revealed that 97 percent of for-profit centers operated 8 hours or more in high-poverty areas compared with 85 percent in low-poverty areas. Eighty-seven percent of nonprofit centers operated 8 hours or more in high-poverty areas compared with 55 percent in low-poverty areas.

Another result of the mission's emphasis on parental employment is that parents may not be entitled to, or could lose, their child care subsidy for reasons that have little to do with the child's need for services. For example, a parent on welfare is entitled to a child care subsidy, but a low-income, nonwelfare parent is not. Our state case studies illustrate how parents can lose their subsidies, regardless of their continued need for child care and the fact that the child's needs are unchanged. California's continued economic recession means less job stability among program participants, state officials said. Because the federal statute for the At-Risk Child Care program can be interpreted as not permitting a subsidy for child care during a period of job search, children's care may be disrupted when parents lose their jobs. Administrators in California reported struggling with how to meet child care needs while parents undertake job searches.[82] Proposed HHS regulations, as well as welfare reform proposals, attempt to eliminate some of these problems, for example, by allowing the provision of child care during temporary gaps in employment and training.

## Mission of School-Sponsored Programs Focused on Child Development

Because the mission of these programs is shaped by the schools sponsoring them, school-sponsored programs do not always provide a broad range of parent or health services. The mission of school-sponsored programs focuses primarily on child development. Many of these programs have been instituted over the last decade to improve school performance among children who are at risk of school failure.

However, we found evidence that the mission of school-sponsored programs is changing. In the four states we visited, school officials recognized the importance of providing the full range of services and, in some cases, are emphasizing more cooperative efforts between schools, children's homes, and community services to increase the range of services children receive.[83] However, program officials in the states we visited reported that they face difficulties in providing a broader range of services.

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[82] Gaps in the delivery of child care subsidies to the low-income population because of different federal program requirements, coupled with resource constraints, are discussed in detail in GAO/HEHS-94-87.

[83] Schools' traditional lack of emphasis on health and other nonacademic services may be changing, as described in our two recent reports, Education Reform: School-Based Management Results in Changes in Instruction and Budgeting (GAO/HEHS-94-135, Aug. 23, 1994) and School-Linked Human Services: A Comprehensive Strategy for Aiding Students at Risk of School Failure (GAO/HRD-94-21, Dec. 30, 1993). In School-Linked Human Services, we reviewed 10 comprehensive school-linked programs attempting to improve the educational performance and well-being of at-risk, school-age children by addressing their multiple needs in a coordinated manner at school sites.

## Mission of Head Start Program Focused on All of Child's Needs

In contrast to the mission of federal child care and school-sponsored programs, the mission of the Head Start program focuses on addressing the many needs of the most disadvantaged children and their families. But, as already mentioned, individual Head Start centers may vary in the quality of services provided and in the percentage of children actually receiving services, according to recent studies.

## Variation in Program Standards Reflects Narrow Missions

Program standards often reflect the narrow missions of their sponsors and vary by type of center.[84] In order to be eligible for federal child care subsidies, for-profit and nonprofit centers are required to follow only applicable state and local licensing standards.[85] In the states we visited, licensing standards for child care did not require a full range of child development, parent, health, and nutrition services, but they did include some basic health and safety protections.[86] Standards for school-sponsored centers in the states we visited have some basic requirements for health services, but more for parent services.[87] The standards of school-sponsored centers for child development, however, are detailed and conform to, and sometimes exceed, the recommendations of experts. The standards for Head Start centers are the most extensive—requiring centers to provide child development, parent, and health and nutrition services. (See app. IV for detailed summaries of standards that apply to all kinds of centers.)

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[84] By program standards, we refer to requirements that have the force of law. Head Start centers must follow performance standards that are contained in federal code (45 C.F.R. 1304, updated in October 1992). School-sponsored centers must adhere to the standards of the education code of the state in which the center is located and, in some states, state child care licensing standards. School-sponsored centers funded with federal Title I dollars must follow federal code (34 C.F.R. Part 75 et al., May 19, 1989), which will be updated as a result of the recent reauthorization of ESEA. For-profit and nonprofit centers must adhere to state child care licensing standards when applicable.

[85] In some states, certain centers may be exempt from state child care licensing standards. For example, centers sponsored by religious organizations may be exempt. Centers sponsored by public schools may also be exempt, although standards developed by state education departments may exist in that state. In this study, we did not examine local standards.

[86] Basic health and safety protections differ from health services offered by centers as referred to in our national data analysis and case studies. Health and safety protections guard against the spread of contagious disease, help providers meet emergency and other health needs of sick children, and protect against fire and other disasters. These protections do not include the provision of health services such as screenings for hearing, speech, and vision problems; physical and dental exams; or referral and follow-up to promote children's good health.

[87] In The State of America's Children: Yearbook 1994 (Washington, D.C.: Children's Defense Fund, 1994), state school-sponsored programs are credited for recognizing the importance of early childhood education experiences. However, this report finds that many state programs do not address the health, nutrition, and family problems that limit children's ability to succeed, or involve parents in their children's learning.

## For-Profit and Nonprofit Centers

In the states we visited—California, Louisiana, Maryland, and Michigan—child care licensing standards, which for-profit and nonprofit centers must follow in order to receive federal child care subsidies, did not require the full range of services that children need to prepare for school. Because of the emphasis among the Title IV-A and CCDBG programs on protecting parents' flexibility in choosing from a wide variety of child care providers, there are generally no minimum federal standards, just the state standards. If state child care licensing standards do not contain basic health and safety protections, CCDBG does require such protections by centers serving children whose care is subsidized by this program, but the CCDBG also does not require that centers provide a full range of services.[88]

Child care licensing standards differed among the states we visited; some standards permitted features that do not meet the recommendations of child development experts. For example, in Louisiana and Michigan, there are no preemployment educational requirements for teachers in nonprofit or for-profit centers, only for center directors; Louisiana allowed child-to-staff ratios greater than 10 to 1; and California and Michigan did not regulate group size.

For parent services, standards for all four states only required centers to allow parents to visit the center at any time or to provide information about center services. For health services, the requirements were also limited in all four states: a center had to have a physician's statement of the child's general health, including immunization, and the center had to keep this statement.

One exception to such minimal requirements was the standards governing nonprofit and for-profit centers that participate in the General Child Care and Development Program in California; these standards are extensive. These centers are required to provide a wide range of parent and health services.[89] For example, one center we visited in California offered a wide range of parent services. According to the center director, this was because of additional requirements imposed on centers receiving state funding—such as holding regular group meetings of parents with program staff and establishing parent advisory committees.

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[88] While the Title IV-A program only requires that centers meet applicable state and local licensing standards for child care, CCDBG requires the states to ensure that child care providers, including centers, are subject to requirements designed to provide basic health and safety protections even if state standards do not include such requirements. Proposed regulations for CCDBG and Title IV-A programs issued by HHS in May 1994 would allow states under any of these programs to reimburse licensed centers at higher rates than previously allowed and require children receiving services funded by these programs to be immunized.

[89] Centers funded by California—either participating in the State Preschool or General Child Care and Development Program—must follow more extensive standards that require a wide range of parent and health services. Referred to as Title 5 standards, these are the same as those detailed in table IV.2 for California school-sponsored centers.

## School-Sponsored Centers

In all of the four states we visited, school-sponsored centers were generally required to follow standards for child development services that conformed to the recommendations of experts, and in several instances, exceeded those recommendations.[90] For example, all four states we visited required that teachers either be state certified or have postsecondary education with specialized training in early childhood education.

In three of the states—Louisiana, Maryland, and Michigan—school-sponsored centers had only basic standards for health services, ranging from maintaining a health record to providing hearing and vision screenings. California had more extensive standards, however, which required that centers identify the health needs of children, refer them for services, and provide follow-up. Standards governing parent services differed across the states, with California and Michigan requiring more parent services and Louisiana and Maryland fewer. School-sponsored centers funded with federal Title I money are not subject to any standards for child development or health services, only parent services.[91] New legislation reauthorizing ESEA requires Title I early childhood programs to comply with Head Start performance standards by fiscal year 1997.

## Head Start Centers

Head Start centers are required to follow detailed performance standards that conform to the recommendations of experts for child development services.[92] For child development services, each center must have an education services plan that specifies children's activities. For health services, each center is responsible for health screenings and for obtaining or arranging for treatment of all health problems detected. Required parent services include parent policy groups, activities to promote the development of parenting skills, identifying opportunities for continuing education, and at least two home visits per year.

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[90] An exception to this was the lack of a group size requirement in California. However, the two school-sponsored centers we visited were colocated with a Head Start center and followed Head Start standards.

[91] Title I parent involvement requirements apply to all Title I programs, not just early childhood programs. The local education agency is required to develop written policies for parent involvement, convene an annual meeting with parents, conduct parent-teacher conferences to the extent practical, and offer activities such as parent conferences and training. Although federal standards require only parent services, the three Title I centers we visited offered all features of child development services.

[92] As recommended by the Advisory Committee for Head Start Quality and Expansion and as required by Head Start reauthorization legislation, Head Start standards must be reviewed and updated by May 1995 so that better information is available on program outcomes.

## Allocation of Scarce Resources Reinforces Narrow Missions

One of the reasons often cited by administrators for not providing the full range of services is the scarcity of resources. The scarcity may include both the lack of resources and their allocation by centers. Each center tends to devote resources to those aspects of children's needs related most closely to its mission.

Several for-profit and nonprofit centers we visited faced difficulties supporting basic services—not including parent or health services—under current funding amounts. According to the director of one nonprofit center in Michigan, limited resources threatened her ability to keep the center open at all. Even when center administrators stated an intent to fulfill a broader mission, limited resources sometimes prevented them from doing so. A for-profit center in Louisiana wanted to hire a professional with either an education or psychology background in order to provide child development services but, according to the director, did not have sufficient funds.

Scarcity of resources is often reflected in low staff salaries, which can explain high teacher turnover rates among for-profit and nonprofit centers, according to past research. The 1992 update of the National Child Care Staffing Study reported an average annual turnover rate of 26 percent among teaching staff in nonprofit and for-profit centers; 70 percent of teaching staff in 1988 had left their jobs by 1992. Those earning $5 per hour or less in 1988 left at a rate of 77 percent compared with a 53-percent turnover of teaching staff earning over $7 per hour.[93] The director of a Louisiana for-profit center we spoke with attributed turnover experienced at her center in previous years to the fact that she can only pay her teachers, at most, $5 an hour, and is unable to provide any fringe benefits.

Resources in school-sponsored centers did not appear to support a full range of services for all disadvantaged children. Even though school-sponsored centers can draw on school district staff (such as nurses, speech therapists, and social workers), these staff are shared among children of all grades and, sometimes, more than one school, staff from two centers said. For example, in one Louisiana center we visited, one part-time social worker was serving an entire school of 700 children, even though referrals to mental health services were increasing. State funding is sometimes not even adequate to cover teacher salaries or classroom materials, a Louisiana school district official said, and on-site, state monitoring of local programs was recently curtailed for lack of funding.

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[93] The National Child Care Staffing Study Revisited: Four Years in the Life of Center-Based Care (Child Care Employee Project, 1993) and The National Child Care Staffing Study (Child Care Employee Project, 1988). The centers examined in the original study and its update represent both nonprofit and for-profit centers. The study's classification of nonprofit centers includes school-sponsored centers, although these centers represent only 3 of the 227 centers sampled. Head Start centers were not included in the sample. The levels of education and training that teaching staff had completed as of 1988 also predicted turnover, although to a much smaller extent than staff salaries.

Several state administrators of the school-sponsored programs we visited wanted to offer more services, but resource scarcity prevented them from providing services not traditionally found in schools, they said. For example, in spite of an initiative in Maryland to form teams of health and social services professionals in schools and districts to help children experiencing developmental difficulties, a school district official said the state lacks the resources needed to systematically provide these services to all children. In Michigan, the state per-child allocation for its school-sponsored program is too low to support the full range of services that the program is intended to provide, a state official said.

The Head Start centers we visited also faced resource scarcity, even though their mandate is to meet all needs of children served. Head Start grantees' inability to offer competitive salaries and benefits packages, particularly in urban areas, is in part responsible for high rates of staff turnover, according to a 1993 review by the HHS Inspector General.[94] Furthermore, because communities were under greater economic distress, several center directors said, centers were unable to draw upon the community-based medical providers and social service agencies they had depended on in the past. Results of our recent survey of Head Start grantees and delegates showed that Head Start administrators viewed the limited availability of community resources as a major challenge.[95]

Head Start centers sometimes had coordinators who referred families to providers within the surrounding community when the center could not offer a needed service. In general, we found that other kinds of centers, faced with resource scarcity or with a narrow view of their mission, did not allocate resources to hire coordinators. Two Maryland school-sponsored centers that we visited, however, made efforts to link up with community-based services that enabled each center to provide additional health services to its children, even though these centers did not have coordinators.[96]

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[94] Head Start Expansion: Grantee Experiences, Office of Inspector General, HHS (May 1993).

[95] Early Childhood Programs: Local Perspectives on Barriers to Providing Head Start Services (GAO/HEHS-95-8, Dec. 21, 1994). We conducted a survey of a nationally representative sample of 870 grantees and delegates from a universe of 1,898 programs. Over 90 percent of Head Start directors responding to our survey reported experiencing at least one of the following barriers: (1) insufficient qualified staff to meet the complex needs of the children and families, (2) a limited availability of health professionals in the community willing to help Head Start staff in providing services, and (3) difficulties getting suitable facilities at reasonable costs.

The scarcity of resources can also lead to competition among different kinds of centers for facilities, staff, funding, and children, according to Head Start-State Collaboration Grant administrators. For example, as states increase funding for their own early childhood programs, school districts are taking back space that was once given to Head Start programs. All kinds of centers compete with each other for trained staff, with the school-sponsored centers having the greatest advantage in the salaries and benefits offered. There is competition for funding, for example, as Head Start looks to sources of funding, such as CCDBG, traditionally used by child care centers. Different kinds of centers may also compete for state funding in order to deliver services. Particularly as states expand their early childhood programs, centers may compete with each other because they target the same children. Several collaboration grant administrators said there was competition for children among early childhood programs in their states.

## Differences in Programs That Reflect Narrow Missions Are Barriers to Collaboration Between Centers

Differences in early childhood programs that reflect their narrow missions create barriers for one center trying to establish a collaborative relationship with another in order to broaden the range of services each provides. Collaboration refers to combining centers, services, or programs in innovative ways that provide children access to additional services.[97]

For example, several Maine Head Start centers have faced difficulty providing full-day programs for children of parents participating in the AFDC Child Care program. In order to extend the center day for these children, funding from Head Start and the AFDC Child Care program was combined. Thus, the children were provided full-day care by Head Start teachers in Head Start centers. However, this was difficult because Head Start teachers were paid at a rate that reflected their teacher qualifications, but the level of funding for AFDC Child Care was not sufficient to cover their salaries. Additional state and local funds had to be raised in order to pay these teachers at the Head Start salary.

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[96] The activities of these school-sponsored centers are, in part, an outgrowth of site-based management. Under the site-based management plan, the principal is granted more autonomy to manage a school and is responsible for developing linkages with community-based services to expand the range of services available to children in the school. State officials said that principals are given authority to determine how to implement such linkages.

[97] Although experts make distinctions between different levels of interaction between centers, we use the term collaboration broadly to refer to programs combining centers, services, or programs in order that children are provided more services than either program could provide individually. Colocation is one way centers, services, or programs can be combined. See Lynn Kagan, United We Stand: Collaborations for Child Care and Early Education Services (New York: Teachers College Press, 1991), for an in-depth discussion of the different types of interactions between early childhood centers and other types of social service providers.

Oregon has faced difficulties in its efforts to bring the full range of services to disadvantaged children in nonprofit and for-profit centers. On an experimental basis, the state is allowing parents of children eligible for the Oregon Prekindergarten Program[98]—which is modeled after Head Start—to place their children in any center convenient to their home or work, and the state ensures the children receive Head Start-like services.

Visiting staff from the Oregon Prekindergarten Program help the center meet standards for child development equivalent to Head Start standards so that all children in the center benefit. Through home visits, Oregon Prekindergarten Program staff provide health and other services to only those children participating in the experimental program. But the rate centers charge for each child—that is, the center's standard rate—has been inadequate to support the higher level of child development services, according to the administrator of the state's Head Start collaboration grant. As a result, some centers have experienced difficulties meeting program standards. In response, the state may restrict participating centers in the future to those that are already offering better child development services as determined by a school district evaluation of the centers through the Oregon Prekindergarten Program.

In our case study work in Louisiana, we found that administrators of school-sponsored centers encountered difficulties simply trying, in a given center, to provide services in one classroom to children funded under different programs so that more children could be served. For example, if a child dropped out of a classroom, according to a state administrator, the budget had to be revised unless a new child was found who met the same eligibility requirements of the program under which the original child was funded.

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[98] A variety of entities are eligible for state funding under the Oregon Prekindergarten Program, including Head Start centers, school districts, child care centers, and other community-based organizations. Participating centers must follow program standards, which are the same as Head Start standards.

Even when centers successfully develop collaborative relationships, the collaboration is difficult and burdensome to administer. Rigidity of funding streams and regulations inhibit the development and ongoing management of programs attempting to meet the needs of parents and communities, concluded New York State's subcommittee on collaboration, part of the state's Interagency Committee on Early Childhood Programs. The subcommittee based its findings on interviews with administrators who led initiatives attempting to link different programs. Among the barriers identified were disparity in per-child funding provided to school-sponsored, Head Start, and child care programs; marked differences in salaries and benefits between teachers with equal credentials; and variations in programs and missions.

## State and Local Initiatives Expand the Range of Services Provided

Some state and local initiatives have expanded program missions in order to provide the full range of services. These initiatives include collaborative efforts that were successful because they overcame the problems program differences often pose. Each of these initiatives, however, involved a substantial investment of resources and the ongoing efforts of program administrators to overcome barriers imposed by differences between programs. In some cases, resources invested in these initiatives included private funding.

California's State Preschool Program and General Child Care and Development Program, for example, require all centers to offer a wide range of services and to establish links with health and social service agencies. California has long recognized the importance of helping children prepare for school while allowing parents to work or get an education, as reflected in the California Child Development Act of 1972. This act brought all state early childhood programs together under the state Department of Education. With both the State Preschool and General Child Care and Development Programs, agencies other than school districts are eligible for state funding to operate centers as long as state standards are met. California has also encouraged school-sponsored centers to colocate with Head Start centers; in two colocated centers we visited, all children received Head Start services. To support the State Preschool Program and the General Child Care Program, the state invested over $300 million in fiscal year 1993 alone.

Other states have invested state money to expand Head Start or modeled their programs after the Head Start program. For example, Ohio, which already provides state support to expand the Head Start program, will double its allocation from $40 million to $97 million for the period 1993 through 1995. Also in 1995, Ohio will follow Head Start performance standards so that state funds will support programs that meet children's developmental needs. The Oregon Prekindergarten Program already follows Head Start performance standards, and centers participating in either Head Start or this state-funded program are jointly monitored by a team of Head Start and Oregon Prekindergarten Program staff. As of 1992, 14 states invest directly in Head Start so that more children can be provided the full range of services.

Some states and localities have launched initiatives that assist centers in overcoming barriers that prevent them from collaborating in order to broaden the range of services centers provide. These collaborative initiatives include locating centers, services, and children together although they are funded by different programs. Other collaborative initiatives include delivering additional services to disadvantaged children in centers in which these services are typically unavailable.

In Maryland, several counties combine Head Start and child care services. In Baltimore City, a child care resource and referral agency coordinates an initiative in which Head Start classrooms are created within child care centers. This enables (1) Head Start-eligible children to receive full-day care and (2) the child care center to benefit from the teacher training and other resources it shares with Head Start. Both Frederick and Charles counties also provide Head Start and child care services on-site together.

In other states, standards and professional development are the centerpiece of collaborative efforts. For example, in Virginia, several child care centers that serve Head Start-eligible children and agree to meet Head Start performance standards receive technical support from Head Start staff.

Some collaboration initiatives have been supplemented with private funds. For example, several centers were created in Kansas City, Missouri, to provide the full range of services to children funded under different early childhood programs, including Head Start and federal and state child care programs. Private donations and local community moneys help to supplement the cost of care.

In Kentucky, a partnership joining the state and local governments and private agencies funds a statewide education reform effort that was launched in 1990.[99] The reform effort includes an early childhood initiative in which state officials have arranged for Head Start to provide "enhanced" services—such as health and social services—to Head Start-eligible children enrolled in school-sponsored programs. Eventually, the state plans to provide such services to all children in its school-sponsored program through special state-funded family resource centers located within lower-income school districts.

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[99] The Annie E. Casey Foundation has helped fund the Kentucky education reform effort. Other private foundations and businesses have invested funds to improve early childhood programs. For example, the American Business Collaboration, a consortium of 137 U.S. companies set up by IBM, has raised over $25 million to increase the supply and improve the quality of child care services in 25 states. Johnson & Johnson, Inc., funds a management training program for Head Start directors. Other private foundations that have funded initiatives to improve early childhood programs include the United Way and the Pew Charitable Trust.

Chapter 5

# Conclusions

The first national education goal, "by the year 2000, all children will enter school ready to learn," sets a bold vision for the nation's future. Yet many disadvantaged children are unlikely to meet this goal. Like all children, disadvantaged children need a stimulating environment, parental guidance and support, adequate health care, and nutritious diets. Many of these children, instead, are subjected to multiple environmental deficits—too little cognitive stimulation, inadequate health care, and poor nutrition—which often impair their ability to function successfully. Many are doomed to school failure before they even enter school. As the number of disadvantaged children increases, centers are likely to continue to fall short in preparing all children for school.

Despite knowledge that early childhood centers—if they provide a full range of child development, parent, and health and nutrition services—can successfully prepare disadvantaged children for school, most of these children do not attend such centers. Disadvantaged children, whose needs are similar, receive different services depending on the kinds of centers they happen to attend.

Providing all disadvantaged children with a full range of services will involve considering (1) increasing funding from federal, state, and private sources for early childhood programs so that more children can participate and (2) broadening program missions to offer the full range of services that children need.

Each of these approaches, however, will involve extraordinary difficulties. Increasing state and federal funding for early childhood programs that serve disadvantaged children will be difficult because the nation is already concerned that federal, state, and local government spending is too high.

Broadening program missions will involve considerable efforts by program administrators and policymakers to reconcile major program differences regarding, for example, which children are eligible and what services are provided. Such efforts will pose challenges to those who are committed or accustomed to programs as they now exist.

However, without such changes, the condition of the nation's disadvantaged children will remain a "quiet crisis," and the bold vision embodied in the first national education goal will not be realized.

# Description of Selected Federal Programs That Provide Early Childhood Services

| Program | FY 93 expenditure[a] | Purpose | Eligibility criteria | FY 93 children served |
|---|---|---|---|---|
| Head Start | $2,776,289,600 | Provide comprehensive child development services, including parental involvement. | Children living in poverty as defined by OMB or in a family that receives AFDC. | 713,903 |
| Title I (early childhood) | Not available[b] | Improve the educational opportunities of educationally deprived children by helping them succeed in school, attain grade level proficiency, and improve achievement in basic and more advanced skills. | Children living in Title I attendance areas who are below the age or grade level at which a local education agency provides free education. | 116,664 |
| AFDC Child Care | 470,352,807[c] | Subsidize child care for AFDC families to the extent that it is necessary for employment or state-approved education and training. State matching funds required. | Children in AFDC families whose parents are working or attending approved training, including those in JOBS. | 339,238[d] |
| Transitional Child Care | 112,703,846[c] | Provide up to 12 months of child care to working AFDC recipients upon loss of eligibility for AFDC due to an increase in hours of or earnings from employment. State matching funds required. | Children living with working parent whose AFDC eligibility has ceased because of an increase in hours of or income from employment, for up to 12 consecutive months beginning with the first month of ineligibility. | 84,682[e] |
| At-Risk Child Care | 269,843,393[c] | Provide child care to non-AFDC working families who would be at risk of AFDC dependency if child care were not provided. State matching funds required. | Children in low-income families who need child care in order to work and would be at risk of becoming eligible for AFDC. States define "low income" and "at-risk" (if different from low income). | 219,057[e] |

(continued)

| Program | FY 93 expenditure[a] | Purpose | Eligibility criteria | FY 93 children served |
|---|---:|---|---|---:|
| Child Care and Development Block Grant | 329,035,314[f] | Increase availability and affordability as well as help states provide, expand, and improve the quality of child care for all families. | Children living in families who are working or attending education or training activities, whose income does not exceed 75 percent of median state income for a family of the same size. | 755,904[g] |
| Title XX-Social Services Block Grant (child care) | Not available[h] | Among other purposes, prevent, reduce, or eliminate dependency; achieve or maintain self-sufficiency; prevent neglect, abuse, and exploitation of children and adults; prevent or reduce inappropriate institutional care. | Each eligible jurisdiction determines the services that will be provided and the individuals that will be eligible to receive services. | Not available |

(Table notes on next page)

Note: Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994) provides fiscal year 1992 budget authority for 34 federal programs that provide education and child care to children below age 5. We report a total of 90 federal programs that provide, allow, or support the provision of some type of early childhood activity not limited to education and child care.

[a] In this table, expenditures for fiscal year 1993 are reported for all programs except CCDBG. CCDBG expenditures cover the report period from September 7, 1991, through September 30, 1992.

[b] National data on the amount of Title I funds spent in fiscal year 1993 on early childhood programs are unavailable. However, in response to a GAO survey, the Department of Education provided an estimate of the total budget authority for fiscal year 1992 of $537,972,848 for prekindergarten and kindergarten, representing less than 10 percent of the total Title I budget for children of all ages, which was more than $6 billion (see GAO/HEHS-95-4FS).

[c] Expenditures for children of all ages in any child care setting. Data for preschool children in centers are unavailable. These expenditures represent the federal share only; the AFDC Child Care, Transitional Child Care, and At-Risk Child Care programs all require a state match.

[d] This is the average monthly total of children of all ages receiving child care in any child care setting whose parents receive AFDC and participate in the Job Opportunities and Basic Skills (JOBS) program—the employment, education, and training program for AFDC recipients established by the Family Support Act. These data also include children served whose parents are AFDC recipients and are employed or in an approved education and training program other than JOBS.

[e] This is the average monthly total of children of all ages receiving child care in any setting. Data for preschool children in centers are not available.

[f] These expenditures represent funds spent from September 30, 1991, through September 30, 1992, for children of all ages in any child care setting.

[g] These participant data are the number of children of all ages whose care was subsidized in whole or in part with CCDBG funds between October 1, 1992, and September 30, 1993.

[h] Expenditure data are unavailable because states are now required to report this information to HHS. However, using state estimations of expected expenditures under this program for fiscal year 1993, HHS estimates fiscal year expenditure of $520,000,000.

Sources: Unless otherwise noted, the sources for data reported in this appendix and in appendix II are as follows: expenditure and participation data for Head Start, AFDC Child Care, Transitional Child Care, At-Risk Child Care, and CCDBG were obtained from the Administration for Children and Families in HHS.

# Case Studies of Early Childhood Programs in Four States

We reviewed early childhood programs in California, Louisiana, Maryland, and Michigan. These states were selected because each has a state-funded child development program, and there is variation between these states in terms of per child expenditure and services provided under these programs. For each state, we (1) profile all early childhood programs—both state- and federally funded, (2) examine state licensing standards applicable to all kinds of centers, and (3) describe some initiatives the state has undertaken to improve early childhood programs.

## California's Programs

California has multiple early childhood programs, including the state-funded programs: the State Preschool and the General Child Care and Development Programs. Two state standards exist—one applies to all centers, the other is more extensive and applies only to those centers that receive state funding. California has undertaken several initiatives to improve early childhood programs, including efforts to colocate centers in order to share costs and provide families better access to services. In addition, California was awarded a Head Start-State Collaboration Grant in 1992.

### Multiple Early Childhood Programs

Two departments—the California Department of Education and the Department of Social Services—administer the early childhood programs in California. In addition, in 1991, California created the cabinet-level Office on Child Development and Education to advise the governor on a variety of children's issues. In California, center-based programs that serve preschool children are among 12 child care and development programs funded by the state for children from different populations and age groups, including preschool- and school-aged children.

The California Department of Education's Child Development Division administers the State Preschool Program and the General Child Care and Development Program.[100] Under both state-funded programs, school districts, other public agencies (including local governments and the university system), and private nonprofit agencies are eligible to compete for state awards to operate centers funded by these programs, as well as to subcontract with other agencies. Under both programs, school districts receive most of the funds. However, many private nonprofit agencies also participate, some under subcontract to the school district. Although for-profit agencies can compete for General Child Care and Development funds, few choose to because of state audit requirements that prevent centers from making a profit with state funds. Funding for both programs is distributed to counties on the basis of demographic factors such as numbers of children on AFDC or women in the work force and existing child care resources. The Department of Education oversees the licensing of centers funded by these state programs.

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[100] The General Child Care and Development Program also provides funding to family child care homes, which typically have six or fewer children being cared for in the home of the provider, who may be a relative.

The State Preschool Program has been operating since 1965 and serves 3- to 5-year-old children whose families' incomes are at or below 60 percent of the state median income. In fiscal year 1993, the State Preschool Program, funded at $84.3 million, served almost 40,000 children.

Unlike many state-funded programs, the General Child Care and Development Program is a full-day program for children from birth to age 13 whose families have incomes up to the state median income and are employed, seeking employment, or in training. This program began as the 1943 Wartime Child Care program, although contracts with private nonprofit and for-profit agencies were not initiated until 1972. The General Child Care and Development Program, funded at $224.2 million in fiscal year 1993, served over 50,000 children from birth to age 13; no information is available about how many preschool children were served.

The Department of Education also administers the federal Title I program and a state-funded compensatory education program, which is modeled after the federal Title I program. Together, these programs served 2,113 preschool children in fiscal year 1993; no information is available on the amount of money spent on preschool children in either the federal Title I or state-funded compensatory education program.

Two of the federal child care programs—CCDBG and At-Risk Child Care—are administered by the Department of Education. The Department of Social Services administers the other federal child care programs—AFDC Child Care and Transitional Child Care. The Department of Social Services is also responsible for the licensing of all child care centers. However, centers receiving funding from the Department of Education—which include State Preschool and General Child Care and Development centers—must follow an additional set of child care licensing standards enforced by the Department of Education. California does not use the Title XX-Social Services Block Grant for child care.

See table II.1 for additional information on state and federal early childhood programs in California.

**Table II.1: State and Federal Programs That Provide Early Childhood Services in California**

| Program | State agency | FY 93 federal expenditures | FY 93 state expenditures | FY 93 children served |
|---|---|---|---|---|
| State Preschool Program | Department of Education | Not applicable | $84,307,662 | 38,733 |
| General Child Care and Development Program | Department of Education | Not applicable | 224,160,632[a] | 51,542[a] |
| Head Start | Not applicable | $305,179,594 | 0 | 67,684 |
| Title I (early childhood) | Department of Education | Not available | Not applicable | 2,113[b] |
| AFDC Child Care | Department of Social Services | 15,030,533[c] | 15,030,533[c] | 13,900[d] |
| Transitional Child Care | Department of Social Services | 4,410,852[c] | 4,410,852[c] | 2,413[e] |
| At-Risk Child Care | Department of Education | 21,177,448[c] | 21,177,446[c] | 14,141[e] |
| CCDBG | Department of Education | 10,794,068[f] | Not applicable | 39,989[f] |
| Title XX | Not used for child care | Not applicable | Not applicable | Not applicable |

[a] Expenditures and numbers for children from birth to age 13 in centers only. The General Child Care and Development Program also provides funding to family child care homes. These estimates were provided by the state of California.

[b] These are preschool children in centers funded by the federal Title I program or the California compensatory education program, modeled after the federal Title I program. This estimate provided by the state of California.

[c] Expenditures for children of all ages in any child care setting. Data for preschool children in centers are unavailable.

[d] These are children receiving child care in any setting whose parents receive AFDC and participate in the JOBS program. Does not include children served whose parents are AFDC recipients and are employed or in state-approved education and training.

[e] The average monthly number of children of all ages receiving child care in any setting.

[f] Number of children of all ages receiving child care in any setting.

## Differences in Program Standards

Among the states we visited, California has a unique child care licensing system in that state-funded centers—those participating in either the State Preschool Program or the General Child Care and Development Program—are subject to extensive requirements. California has another set of child care licensing standards applicable to all centers, even those that do not receive state funds. These are much less extensive.

Title 22 of the California Code of Regulations applies to all kinds of centers in California.[101] These child care licensing standards provide basic safety and health protections but do not require some child development, parent, and health services.[102] Because California centers need only meet these standards to be eligible to receive funds from federal child care programs, these centers may not provide the full range of child development, parent, and health services. Title 22 does not ensure that centers have all features of child development services because there is no group-size requirement, nor are centers required to use a curriculum (although the standards do require that centers provide a variety of daily activities). As to parent services, Title 22 only requires centers to inform parents they can visit the center at any time and to provide information about center services. No health services are mandated beyond keeping the physician's statement of a child's general health that parents must provide as a condition of admission.

Centers funded by the California Department of Education, that is, those centers participating in either the State Preschool or General Child Care and Development Programs, must adhere to more extensive requirements as detailed in Title 5 of the California Code of Regulations. For example, centers funded by either program must provide a number of parent services, including a parent advisory committee, and provide health screenings, referrals, and follow-up to ensure the child's health needs are addressed. Title 5 standards do not ensure that centers have all features of child development services because of the absence of a requirement for group size.

The extensive requirements in Title 5 are an outgrowth of the Child Development Act of 1972. This act brought all state early childhood programs together, under the Department of Education, for the dual purposes of helping children prepare for school success and allowing parents to work or get an education. There is an initiative under way in the state to examine the benefits of requiring every center—even those that do not participate in a Department of Education-funded program—to follow Title 5 standards.

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[101] As in some other states, certain centers in California are exempt from child care licensing standards. For example, exemptions apply to some centers that are health facilities, clinics, public or private schools that operate before- and/or after-school programs for school-age children, and public and private recreation programs.

[102] As indicated in chapter 4, basic health and safety protections differ from the provision of health services offered by centers as referred to in the national data analysis and case studies of this report. Health and safety protections guard against the spread of contagious disease, help providers meet emergency and other health needs of sick children, and protect against fire and other disasters. These protections do not include the provision of health services such as screenings for hearing, speech, and vision problems; physical and dental exams; or referral and follow-up to promote children's good health.

In addition to meeting Title 5 requirements, all centers funded by the Department of Education are required to conduct an annual self-evaluation, using "Exemplary Program Standards" developed by the Department of Education. These standards include detailed recommendations for enhancing the child development and parent involvement components of center programs. For example, these standards set forth how to implement a child-centered curriculum and to build a partnership with parents. The self-evaluation is not used for compliance purposes, but a peer review of the self-evaluation is conducted every 3 years to help centers improve program quality. (See app. IV for standards that apply to all kinds of centers in California.)

## Initiatives to Improve Early Childhood Programs

California has a number of activities to improve early childhood programs and services. For example, it has encouraged the State Preschool Program and Head Start to operate colocated centers in order to share administrative, staff development, and other costs, so that families can have better access to the services they need. Approximately 14 percent of funds for the State Preschool Program go to centers where both State Preschool and Head Start programs operate. We visited two of these centers and found that all children—most of whom were Head Start-eligible—were provided Head Start services regardless of what program they were funded under.

California has sponsored a number of groups to look across early childhood programs in order to make recommendations for improving the delivery of services. An interagency working group was formed in 1991 to make recommendations on the feasibility of consolidating all federal child care programs in order to ensure improved access to services. In response to these recommendations, and as we reported in a recent review of federal child care programs, California is attempting to standardize its reimbursement rates, client copayments, and the income level for determining eligibility.[103]

California also supports training for teachers to improve the quality of care provided by all kinds of centers. The Child Development Training Consortium provides training to enable staff in centers and family child care homes to earn child development credits through a network of community and state colleges. In all 12 child care and development programs administered by the California Department of Education, the consortium serves teachers and pays tuition and fees of staff with low incomes.

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[103] GAO/HEHS-94-87, May 13, 1994. This report discusses progress that states, including California, are making toward integrating child care programs into seamless systems.

The Head Start-State Collaboration Project, awarded to California in 1992, represents another effort to improve early childhood programs and services. Several priority areas have been identified, including enhancing the transition of preschool children into elementary school and improving the State Preschool Program so that this program can offer more services typical of Head Start centers.

## Louisiana's Programs

Louisiana has multiple early childhood programs, including the state-funded Model Early Childhood Program. The state has two sets of child care licensing standards; one or the other applies to every center in the state depending on whether or not the center receives public funds, including federal child care subsidies. A third set of standards applies to school-sponsored centers. The state has undertaken several initiatives, including the formation of a commission to identify the most pressing issues surrounding early education and care of young children.

### Multiple Early Childhood Programs

Two departments—the Louisiana Department of Education and the Department of Social Services—administer early childhood programs in Louisiana. The Louisiana Department of Education administers two early childhood programs—the Model Early Childhood Program and the Starting Points Program. Although the Model Early Childhood Program, initiated in 1985, is state funded, Starting Points, which began in 1992, (1) is funded with quality set-aside money from CCDBG and (2) requires parents to work or participate in training. The set-aside refers to the 25 percent of CCDBG funds that states are required to reserve each year to improve the quality of child care and provide before- and after-school and early childhood development services. Except for these differences in funding source and parent work or education requirements, the Model Early Childhood and Starting Points Programs are the same, and both are administered out of the state Office of Academic Programs.

Both the Model Early Childhood and Starting Points Programs are targeted to 4-year-old children with average family income no more than 75 percent of the state median, who are determined, on the basis of screenings, to be at risk of not being sufficiently ready for school. Together, these two programs served about 3,500 children in fiscal year 1993. That same year, the Model Early Childhood Program was funded at $4.6 million; Starting Points at $3.3 million. Recent budget cuts reduced funding for the Model Early Childhood Program to $3.1 million in fiscal year 1994. Each local education agency is eligible for funding for one classroom under the Starting Points Program; under the Model Early Childhood Program, the number of classrooms each local education agency qualifies for is based on total student enrollment. As of fiscal year 1994, funds for both programs are being distributed on the basis of the number of children who qualify for free lunch after each parish is awarded a base grant of $30,000.

The Louisiana Department of Education also administers the federal Title I program, which served about 7,000 preschool children in fiscal year 1993 with funding at $18.4 million. This program, however, is administered by the Office of Educational Support, as opposed to the Office of Academic Programs, which administers the Model Early Childhood and Starting Points Programs. A reorganization plan, currently being considered by the state board of education, would place the Title I program under the Office of Academic Programs as well.

The Louisiana Department of Social Services administers the federal child care programs—CCDBG, AFDC Child Care, Transitional Child Care, and the Title XX-Social Services Block Grant[104]—and also oversees state licensing of child care providers. Louisiana does not currently administer the At-Risk Child Care program because the state was unable to provide the state match required to claim federal funds.

Table II.2 provides additional information on all federal and state early childhood programs in Louisiana.

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[104] Only a small portion of the Title XX-Social Services Block Grant goes toward child care. Title XX moneys are used only if the child is ineligible for other federal child care programs and the state determines there is a special need for child care. For example, the child may be neglected or need protection, have a parent or caretaker who has a mental or physical disability, or have developmental or emotional difficulties.

**Table II.2: State and Federal Programs That Provide Early Childhood Services in Louisiana**

| Program | State agency | FY 93 federal expenditures | FY 93 state expenditures | FY 93 children served |
|---|---|---|---|---|
| Model Early Childhood Program | Department of Education | Not applicable | $4,600,000[a] | 2,120 |
| Starting Points Program | Louisiana Department of Education | $3,300,000 | Not applicable | 1,320 |
| Head Start | Not applicable | 62,995,996 | 0 | 18,677 |
| Title I (early childhood) | Department of Education | 18,400,000 | Not applicable | 7,010 |
| AFDC Child Care | Department of Social Services | 7,026,769[b] | $2,506,223[b] | 3,907[c] |
| Transitional Child Care | Department of Social Services | 1,966,272[b] | $701,306[b] | 2,695[d] |
| At-Risk Child Care | Not applicable because state was not able to make match | 0 | 0 | Not applicable |
| CCDBG | Department of Social Services | 5,663,961[e] | Not applicable | 22,956[e] |
| Title XX | Department of Social Services | 6,041,182[b] | Not applicable | Not available |

[a] In fiscal year 1994, funding for the Model Early Childhood Program was reduced to $3.1 million because of state fiscal problems.

[b] Expenditures for children of all ages in any child care setting. Data for preschool children in centers are unavailable.

[c] These are preschool children receiving child care in any setting whose parents receive AFDC and participate in the JOBS program. This number also includes children served whose parents are AFDC recipients and are employed or in state-approved education and training.

[d] The average monthly number of children of all ages receiving child care in any setting.

[e] Expenditures and participant data for children aged 2 to 5 receiving care in centers.

## Differences in Program Standards

The state has two sets of child care licensing standards—Class A and Class B—apply to all centers in the state depending upon whether or not the center receives public funds,[105] including federal child care subsidies. A third set of standards applies to school-sponsored centers.

Child care licensing was optional for centers not receiving federal funds until 1985, when a mandatory child care licensing law was enacted. To ensure passage of the legislation against the opposition of unlicensed centers, a two-tiered licensing system was created. Only centers that meet the standards for Class A licenses, considered to be more extensive than those for Class B licenses, are eligible for public funds. A Class B license permits corporal punishment with written parental approval and does not require immunizations or medical examinations if parents object on religious grounds. Of the 1,825 child care centers in the state, about two-thirds are Class A and one-third Class B.

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[105] As in some other states, certain centers in Louisiana are exempt from child care licensing standards. For example, exemptions apply to some centers that are Montessori schools, camps, kindergartens attached to elementary schools, care provided without charge, and public preschool programs if they operate less than 20 hours per week.

However, even Class A standards provide only basic health and safety protections and require only some of the child development, parent, and health services we have discussed.[106] Because centers in Louisiana need only meet these standards to be eligible to receive funds from federal child care programs, they may not provide the full range of child development, parent, and health services. Class A standards do not ensure that centers have all features of child development services: there are no preemployment educational requirements for teachers and the child-to-staff ratio of 16 to 1 for 4-year-olds exceeds the recommended ratio of 10 to 1.[107] Centers are also not required to use a written curriculum, although a schedule of the day's plan of activities is required. As to parent services, centers are only required to meet with parents when the child is admitted, inform parents they can visit the center at any time, and provide information about center services. No health services are required other than maintaining a written health record.

School-sponsored centers participating in the Model Early Childhood, Starting Points, or Title I programs are subject to regulations established by the Louisiana Department of Education. The standards for school-sponsored programs require features of child development services but are more limited with regard to parent and health services. As to parent services, school-sponsored centers have only to require that families agree to participate in "various activities associated with the program." Vision and hearing screenings are the only health services requirements. (See app. IV for a summary of standards that apply to all kinds of centers in Louisiana.)

## Initiatives to Improve Early Childhood Programs

Louisiana has undertaken several initiatives to address perceptions of the need for improvement in, and greater consistency among, early childhood programs. A key initiative, the formation of the Louisiana Early Childhood Study Commission in 1990, was initiated by the state's Bureau of Title I and jointly undertaken by that office and the Office of Academic Programs. Under the auspices of these two offices, providers from different early childhood programs and advocacy groups were asked to identify the most pressing issues surrounding early education and care of young children. In 1993, the Commission issued a report, Starting Right, Starting Right Now, which found that state child care licensing standards do not ensure that programs meet the needs of children. The Commission recommended a range of activities, among them promoting developmentally appropriate programs, encouraging parent involvement, and improving training and development for early childhood professionals.

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[106] The state has recently made efforts to strengthen health and safety protections. For example, the Department of Social Services recently proposed new licensing standards for day care centers that care for sick children.

[107] Teachers in Class A centers are required to complete 12 hours of in-service training per year.

Another recent state study, financed with CCDBG quality improvement set-aside funds, found limitations in the state's two-tiered system of child care licensing standards.[108] One limitation cited in the study is the lack of any preemployment teacher education and training requirements in either the Class A or Class B standards. Recommendations include providing a better training and career development system for child care providers.

To maximize its use of available funding, Louisiana has also undertaken to serve in one classroom students funded under different early childhood programs. A study by the Early Childhood Coordination Subcommittee of the Department of Education has examined ways teacher salaries and other costs can be prorated for different programs. Changing income requirements, so that they are consistent among all programs, and providing statewide in-service training to teachers from different programs were among several recommendations from the Subcommittee.

## Maryland's Programs

Maryland has multiple early childhood programs, including the state-funded Extended Elementary Education Program. The state has two sets of standards: licensing standards for child care as well as standards for school-sponsored centers. Maryland has undertaken efforts to improve early childhood programs, including the formation of the Governor's Subcabinet for Children, Youth, and Families to improve services to the state's children and families through coordinated planning. In addition, Maryland was awarded a Head Start-State Collaboration Grant in 1992.

### Multiple Early Childhood Programs

Two departments—the Maryland State Department of Education (MSDE) and the Department of Human Resources—administer the state's early childhood programs. The Language Development and Early Learning Branch in MSDE administers the Extended Elementary Education Program

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[108] Nancy H. Brown, Louisiana: Challenge and Promise: Final Report of Technical Assistance Project, The Center for Career Development in Early Care and Education at Wheelock College, prepared under contract for Louisiana Department of Social Services (Feb. 1993).

(EEEP). EEEP's overall goal is to provide initial learning experiences to effectively help children develop and maintain the basic skills necessary for school performance. EEEP includes an early childhood initiative that targets 4-year-old children with a high risk for school failure and their transition into primary grades. Any 4-year-olds living in a Title I school attendance area are eligible to enroll in EEEP. Each local education agency that wishes to operate an EEEP program receives a grant from the state: in fiscal year 1993, the state provided a total of $8.6 million to 23 of the state's 24 local education agencies to operate EEEP. Generally, each EEEP site receives the same amount of money, but adjustments are made for local needs. Usually, the state funding is just enough to cover a teacher's salary and benefits. Several school systems supplement the state funding through in-kind contributions such as facilities, transportation, and materials. In addition to EEEP, the state also provides compensatory education funding for prekindergarten programs.

MSDE also administers the federal Title I program through the Department's School Assistance and Program Improvement Branch. In fiscal year 1993, 3,772 preschool children were served; no information is available as to funds spent on preschool children in the Title I program.

The Maryland State Department of Human Resources through its Child Care Administration administers the federal child care programs—including CCDBG, AFDC Child Care, Transitional Child Care, At-Risk Child Care, and the Title XX-Social Services Block Grant. In addition, this department oversees licensing of child care providers. The Child Care Administration was created in 1990 to consolidate authority for child care regulation in one state department. Table II.3 gives more information on all federal and state early childhood programs in Maryland.

**Table II.3: State and Federal Programs That Provide Early Childhood Services in Maryland**

| Program | State agency | FY 93 federal expenditures | FY 93 state expenditures | FY 93 children served |
|---|---|---|---|---|
| Extended Elementary Education Program | Department of Education | Not applicable | $8,606,739 | 6,520 |
| Head Start | Not applicable | $32,073,086 | 0 | 8,338 |
| Title I (early childhood) | Department of Education | Not available | Not applicable | 3,772 |
| AFDC Child Care | Department of Human Resources | 13,926,142[a] | 13,926,142[a] | 8,499[b] |
| | | 4,170,882 (early childhood) | 4,170,882 (early childhood) | 3,502 |
| Transitional Child Care | Department of Human Resources | 1,053,551[a] | 1,053,551[a] | 857[b] |
| | | 313,233 (early childhood) | 313,233 (early childhood) | 263 |
| At-Risk Child Care | Department of Human Resources | 5,539,284[a] | 5,539,284[a] | 6,690[b] |
| | | $1,774,590 (early childhood) | $1,774,590 (early childhood) | 1,490 |
| CCDBG | Department of Human Resources | 9,185,143[a] | Not applicable | 2,507[b] |
| Title XX | Department of Human Resources | 0 | Not applicable | Not available |

Note: Maryland was able to provide expenditure and participant data for preschool children under the federal child care programs—AFDC Child Care, At-Risk Child Care, Transitional Child Care, and CCDBG. These data, however, represent children in any setting, including centers.

[a] Expenditures for children of all ages in any child care setting.

[b] This number includes children of all ages in all settings.

## Differences in Program Standards

Maryland has two sets of standards: child care licensing standards and standards for school-sponsored centers.

Maryland's general child care licensing standards provide basic health and safety protections but require only some of the child development, parent, and health services discussed in this report.[109] Because centers in Maryland need only meet these standards to be eligible to receive funds from federal child care programs, they may not provide the full range of child development, parent, and health services. Maryland child care licensing standards require all features of child development services with a few exceptions: (1) the child-to-staff ratio and group size—for 5-year-olds only—do not meet recommended levels (even though the requirements for 3- and 4-year-olds are consistent with expert recommendations) and (2) centers are not required to use a curriculum (as is true in the other states we visited), although centers must have a written schedule of daily activities that are characteristic of developmentally appropriate practices. The standards require limited parent services, and the only health service requirement mandates keeping the physician's written statement on the child's health as a condition of admission and maintaining a file of medical information.

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[109] As in some other states, certain centers in Maryland are exempt from child care licensing standards. For example, exemptions apply to some centers that provide residential placement for a child, youth camps, a child care service operated by the federal government or on federal property, public and nonpublic schools during the hours in which an instructional program is offered, and child care services provided in connection with a shelter housing homeless persons. Separate standards developed by MSDE apply to school-sponsored centers.

School-sponsored centers participating in EEEP's prekindergarten program must meet standards established by MSDE. These standards require all features of child development services, including curriculum guidelines. With regard to parent services, school-sponsored centers are required to promote parental support and involvement; activities may include maintaining a log of parent involvement and communicating or sharing information to assist parents in understanding their children's development. For health services, centers are required only to maintain a health record on each child. School-sponsored centers funded with federal Title I money are advised to follow EEEP standards, and the state recommends these centers use a written curriculum approved by NAEYC. (See app. IV for a summary of standards that apply to all kinds of centers in Maryland.)

## Initiatives to Improve Early Childhood Programs

Maryland has several initiatives designed to improve early childhood services. The Governor's Subcabinet for Children, Youth, and Families was created in 1989 to improve services to the state's children and their families. Chaired by the state's Secretary for Children, Youth, and Families, who reports directly to the Governor, the subcabinet is responsible for policy, program, and budget oversight and coordination across all children's programs in the state, including early childhood programs. The goal is to reform state services to make them more family oriented and focused on prevention. One subcabinet accomplishment has been the development of an interagency budget that includes funding for all services targeted to at-risk children and their families. Another accomplishment is the establishment of local interagency councils on early childhood education and care in 21 of the state's 24 jurisdictions. These councils receive state funding to locally plan and coordinate early childhood programs and services. The Office of Children, Youth, and Families is overseeing implementation of a grant from the Ford Foundation in three Maryland counties that is designed to prepare children for school. The foundation grant is being matched with child care funding in an effort to link community services to schools.

MSDE has also undertaken initiatives that emphasize interagency cooperation. First, MSDE has devoted a full-time staff position to the job of interagency coordination. MSDE's interagency coordinator is responsible for acting as a single point of access for MSDE staff to other agency officials. Second, MSDE has organized interdepartmental teams that are focusing on early childhood education issues and early intervention efforts. A primary task for these teams is to determine what services are most needed and then to target funding to those services. Third, MSDE has entered into a partnership with the Johns Hopkins University to develop good interagency service delivery to ensure a continuum of services to the state's children from birth through third grade. Funding for this effort includes grants from the New American Schools Foundation.

Maryland also received a federal Head Start-State Collaboration Grant in 1992 with which the state has undertaken several efforts to improve early childhood services. For example, under the auspices of the collaboration grant, the state sponsored a joint training session of local Head Start and local education agency staff. In order to improve the delivery of health services, a cooperative agreement was developed between Head Start and the state health department to improve the delivery of screenings and other health services. A survey was also conducted to identify barriers to Head Start children receiving dental services.

## Michigan's Programs

Michigan has multiple early childhood programs, including the state-funded Michigan Early Childhood Education Program. The state has two sets of standards: child care licensing standards that apply to all centers as well as performance standards for school-sponsored centers receiving Michigan Department of Education funding. Although Michigan was not awarded a federal Head Start-State Collaboration Grant, a state-funded collaboration project was launched in 1993.

### Multiple Early Childhood Programs

Two departments—the Michigan Department of Education and the Department of Social Services—administer the state's early childhood programs. The Michigan Department of Education administers the

Michigan Early Childhood Education (MECE) Program,[110] a state-funded program that targets 4-year-old children who have at least 2 of 25 risk factors. These factors include low family income, single-parent family, or family history of low school achievement or dropping out. Through a competitive process a portion of MECE funds is allocated to organizations other than school districts. Fifty percent of the funds awarded through the competitive process have gone to Head Start centers. In school year 1992-93, the MECE program provided $32 million for services to a total of 13,000 children; $5 million of this $32 million was allocated on a competitive basis to organizations other than school districts. Funding not allocated on a competitive basis is distributed to school districts on the basis of a formula reflecting the number of economically disadvantaged children who qualify for the National School Lunch Program and average kindergarten enrollment.

The Michigan Department of Education also administers the Title I program. The Title I program, however, is administered by the Office of Enrichment and Community Services, not the Office of Comprehensive Programs in Health and Early Childhood, which administers the MECE program. Approximately 60 local Title I centers currently provide early childhood programs to 4,270 children with an estimated $7.5 million in federal funding.

The Michigan Department of Social Services administers the federal child care programs—CCDBG, AFDC Child Care, Transitional Child Care, At-Risk Child Care, and child care funded from the Title XX-Social Services Block Grant. In addition, this department oversees state licensing of child care providers. In July 1992, Michigan implemented the Unified Day Care System.[111] This system integrated all federal child care programs except the AFDC Dependent Care Deduction. Integration is intended to allow a family to move from one funding stream to another, as the family's economic situation and eligibility for child care change, without disruption in child care services.

Table II.4 gives additional information on all federal and state early childhood programs in Michigan.

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[110] As of late 1993, the Michigan school-sponsored program was renamed the School Readiness Program. Fiscal year 1994 funding from the state was increased to more than $53 million and the per child expenditures were also raised.

[111] We discuss Michigan's Unified Day Care System, and other state efforts to integrate federal child care programs, in GAO/HEHS-94-87.

**Table II.4: State and Federal Programs in Michigan That Provide Early Childhood Services**

| Program | State agency | FY 93 federal expenditures | FY 93 state expenditures | FY 93 children served |
|---|---|---|---|---|
| Michigan Early Childhood Education Program | Department of Education | Not applicable | $32,000,000 | 13,000 |
| Head Start | Not applicable | $107,451,389 | 0 | 29,960 |
| Title I (early childhood) | Department of Education | 7,500,000 | Not applicable | 4,270 |
| AFDC Child Care | Department of Social Services | 20,524,445[a] | 16,028,074[a] | 13,448[b] |
| Transitional Child Care | Department of Social Services | 1,615,018[a] | 1,277,207[a] | 1,053[c] |
| At-Risk Child Care | Department of Social Services | 7,449,338[a] | 5,891,167[a] | 14,388[c] |
| CCDBG | Department of Social Services | 20,869,864 | Not applicable | 23,554 |
| Title XX | Department of Social Services | 95,319,600[a] | Not applicable | Not available |

[a] Expenditures for children of all ages in any child care setting. Data for preschool children in centers are unavailable. This estimate provided by HHS.

[b] These are preschool children receiving child care in any setting whose parents receive AFDC and participate in the JOBS program. It does not include children served whose parents are AFDC recipients and are employed or in state-approved education and training.

[c] The average monthly number of children of all ages receiving child care in any setting. Data for preschool children in centers are unavailable.

## Differences in Program Standards

The Michigan child care licensing standards provide basic health and safety protections.[112] The standards do not ensure that centers have all features of child development services because teachers have no preemployment education requirements and group size is unregulated. In addition, standards permit a child-to-staff ratio of 12 to 1 for 4- and 5-year-olds, exceeding the recommended ratio of 10 to 1. Centers need not use a curriculum, although they must have a program of daily activities. With regard to parent services, standards require only that parents be permitted to visit the center at any time. Health services include requiring that the center keep the physician's statement provided by parents as a condition of admission. In addition, centers must keep on file written permission from parents to allow children to participate in health assessments when these are available.

School-sponsored centers participating in the MECE program must meet the state's child care licensing standards as well as standards established by the Michigan Board of Education. These standards require features of child development services, some of which are more demanding than expert recommendations. As of 1995, teachers must have an early childhood endorsement—referred to as a ZA endorsement—awarded by Michigan colleges and universities upon completion of an 18-hour early childhood program. In addition, group size is limited to 18, smaller than the recommended size of 20; and the child-to-staff ratio cannot exceed 9 to 1, lower than the recommended ratio of 10 to 1. As to parent services, school-sponsored centers must provide opportunities for parent involvement, which may include teacher meetings with parents and home visits, among other activities. No health services are specified in the standards. (See app. IV for standards that apply to all kinds of centers in Michigan.)

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[112] As in other states, certain centers in Michigan are exempt from child care licensing standards. For example, exemptions apply to some centers sponsored by religious organizations, special education programs, and public and nonpublic schools serving school-age children. Other standards developed by the Michigan Board of Education do apply to school-sponsored centers.

## Initiatives to Improve Early Childhood Programs

Michigan has a number of initiatives under way to expand services and improve coordination between different early childhood programs in the state. For example, any center operating a MECE program is now required to identify all other early childhood programs within the community as well as collaborative activities between the school district and other early childhood programs so that MECE is not targeting the same children as, say, Head Start.

Although Michigan was not awarded a federal Head Start-State Collaboration Grant, a state-funded collaboration project was launched in 1993. The project is administered by the executive office of the Michigan Department of Labor, which operates and oversees community action agencies that are delegate agencies to many of the state's Head Start centers. The advisory board for this project has been charged by the state with identifying gaps in services and developing strategies for collaboration that will be piloted in several communities in order to develop state models. The project has surveyed Head Start grantees to assess priority needs.

The Governor of Michigan launched several initiatives in the early 1990s, including the Families First Program and the Governor's Interagency Family Preservation Initiative, to improve services to children and their families. At the same time, the Governor asked state human service agency directors to review the status of children and families in the state and develop goals and strategies to improve their well-being. The plan submitted by these agencies describes several children's initiatives in Michigan that make it possible for centers to gain access to additional services for their children. For example, two state health programs provide hearing and vision screenings and referral to preschool- and school-aged children. The state is also working to expand the provision of full-day services by drawing on federal child care programs, including CCDBG, to fund the balance of the day for children in Head Start centers.

# Technical Description of National Data Analyses

## Data Source and Scope of Analysis

The purpose of our national data analysis was to identify the characteristics of centers in which preschool children are enrolled. This appendix describes the scope, methodology, and results of our analysis of a nationally representative sample of child care center directors. It includes information on

- Mathematica Policy Research, Inc.'s, creation of a nationally representative database of child care centers;
- how we used the Mathematica database to create our own database, consisting of center-based programs that serve primarily nonhandicapped 3- to 5-year-olds, with centers grouped into four major categories;
- how we estimated the distribution of disadvantaged children attending centers across the four center types;
- variables used in the analysis of characteristics of center-based child care programs;
- how we used Census data to link center characteristics with the extent of poverty in the geographic area in which centers are located; and
- the results of the analysis and the resulting sampling errors.

## Mathematica's Database

From a universe of approximately 80,000 center-based early childhood programs, we analyzed data from a randomly selected sample of 2,089 center directors previously collected by Mathematica Policy Research.[113] Mathematica's study looked at child care centers and early education programs that are licensed or registered by the state or county in which they are located. Because licensing regulations vary among states, it was necessary to augment the basic sample with programs based in religious institutions, part-day preschool programs, and other programs that states may exempt from regulation. The sample was further augmented with public and private school-sponsored programs, which rarely fall under the jurisdiction of child care licensing and are usually regulated by state education agencies. A two-stage clustered sample design was used to select the sample of 2,089 providers. Interviews were conducted in early 1990 using computer-assisted telephone interviewing techniques.

## GAO's Database

Using the data from the Mathematica survey, we created a database of 1,812 centers that serve primarily nonhandicapped 3- to 5 year-olds. For our analysis, we grouped the 1,812 centers into one of four categories: Head Start, school-sponsored, nonprofit, and for-profit. If a Head Start program was also affiliated with another organization from which it received direction or funding, we categorized it as a Head Start center. Because Head Start regulations require a center to provide a specific set of services, it should, theoretically, take on the characteristics of a Head Start program, despite any other organizational affiliation. For example, if a center was sponsored by both Head Start and a state-funded preschool program, we considered it a Head Start center. School-sponsored centers included those sponsored by a board of education or public school; they are usually funded by the state, but may also receive some federal Title I funds. Nonprofit centers included those sponsored by a church or religious group, a social service agency, or private school; while Head Start and school-sponsored centers are also nonprofit, for this report, the term nonprofit centers excludes Head Start and school-sponsored centers. For-profit centers are predominantly independently owned and operated. Both nonprofit and for-profit centers may receive funds through federal or state child care programs, directly or through subsidies provided to families.

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[113] For a more complete description of Mathematica's study, see A Profile of Child Care Settings: Early Education and Care in 1990, Vols. 1 and 2, U.S. Department of Education, Office of the Under Secretary (Princeton, N.J.: 1991).

## Estimation of Disadvantaged Children Across Four Center Types

To determine how disadvantaged children attending centers are distributed across the four major center categories, we first had to calculate the number of disadvantaged children within each center. To do this, we multiplied the total number of children by the percentage of children identified as receiving some form of public assistance, such as AFDC or food stamps, within the center. For the centers that did not provide this information, we estimated the number of children receiving some form of public assistance by multiplying the total number of children in the center by the weighted mean percentage of children receiving public assistance for their center type. We then weighted these calculated numbers and totaled them for each center type, resulting in an estimated proportion of disadvantaged children attending each of the four major center categories.

## Description of Analysis Variables

For our national data analysis of centers, we analyzed selected questions related to the first national education goal. The questions we analyzed helped us determine whether or not centers had features of child development services or provided parent, health, and nutrition services. Below is a description of each variable used in our analysis. These variables were analyzed for each of the four kinds of centers. The results of these analyses and the resulting sampling errors are provided below.

## Features of Child Development Services

| | |
|---|---|
| Teacher Qualifications | Percentage of teachers with various educational attainments and qualifications: a bachelor's or graduate degree, some college, a Child Development Associate (CDA) credential, and a high school diploma or General Equivalency Degree (GED). |
| Child-to-Staff Ratio | For each group, the number of children divided by the number of teachers, assistant teachers, and aides who are with the group. |
| Group Size | The number of children in each group of predominantly 3- to 5-year-olds within centers was used to calculate average group sizes for each of our four kinds of centers. |
| Teacher Turnover | For each center, the number of teachers who left the center during the previous year divided by the total number of teachers employed by the center at the time of the survey. |
| Written Curriculum | Whether teachers follow a written curriculum when planning activities for children in their group. |

## Parent Services

| | |
|---|---|
| Parent Meetings | Whether the teacher schedules regular meetings with parents. |
| Parent Activities | Whether parents of children enrolled in the program regularly (1) serve as volunteers in the classroom, (2) participate in governance activities, and (3) attend workshops at the center. We created the variable "participate in governance activities" by combining three questions, including whether parents participate in the selection of staff, review budgets, and choose or monitor center activities. |
| Staff Home Visits | Whether center staff visit each child's home to talk with parents about their child's care and activities. |

## Health and Nutrition Services

### Health Services

Whether the center provides physical exams, dental exams, and hearing, speech, or vision testing.

### Nutrition Services

Whether the center participates in USDA's Child and Adult Care Food Program (CACFP).

Whether the center regularly prepares and serves meals or snacks to the children attending the center.

## Analysis of Center Characteristics by Extent of Area Poverty

To determine whether differences exist in characteristics of centers in high- versus low-income areas, we matched 1990 Census zip code data to each center in our database. For each center, we created a variable that represented the percentage of children aged birth to 5 who are poor by federal definition and residing in the zip code in which the center is located.[114] Each center was then placed in one of three categories: (1) high-income area—less than 8 percent of children aged birth to 5 in poverty, (2) medium-income area—8 percent to less than 30 percent, or (3) low-income area—30 percent or more. We then analyzed the center characteristics and services described above for centers located within each type of poverty area.

Analyzing centers by both poverty rate and center type usually resulted in very small sample sizes, and therefore, we made limited statistical estimates for those results.

## Data Limitations

We did not verify the accuracy of the secondary data. In addition, the information Mathematica collected was self-reported by center directors, and no observations were made to verify the accuracy of the responses.

## Estimating Sampling Error

Statistical sampling allows us to draw conclusions about a population on the basis of information from a sampling of that population. The data used in this report are estimates based on a sample of centers. Because only a portion of the universe was selected for analysis, each estimate has a measure of uncertainty, or sampling error, associated with it.

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[114] Poor children, as defined by OMB in 1989, live in families with an annual household income below $12,674. Since 1989, these income guidelines have been updated. As of 1993, OMB family income guidelines define families of four as poor if their annual household income falls below $14,350.

Sampling errors indicate how much confidence we have that the sample estimate matches the population statistics it measures. We can use sampling errors to form an interval around each estimate, showing where the result of all possible samples could be expected to fall. For this report, sampling errors were calculated at the 95-percent confidence level. This means that there is about a 5-percent chance that the actual percentage being estimated does not fall within the range defined by our estimate, plus or minus the sampling errors. In the discussion of our findings in chapters 3 and 4, including the additional analysis by poverty area, we report only those differences that are statistically significant.

The following tables provide supporting data points and sampling error ranges for the analysis of center characteristics by four center types found in the text and figures in the report. The sampling errors for the additional analysis presented by poverty area (as described in footnotes in chapters 3 and 4) ranged from +/- 2.4 percent to +/- 12.7 percent.

Tables III.1 to III.5 provide data for Figure 3.4: For-Profit and Nonprofit Centers More Likely to Lack Features of Child Development Services.

**Table III.1: Data for Figure 3.4: Teachers' Education**

Percent of centers

| Program | Teachers with at least a bachelor's or graduate degree | Teachers with some college | Teachers with a CDA | Teachers with high school diploma or GED |
|---|---|---|---|---|
| Head Start | 45.0 | 24.6 | 29.3 | 1.1 |
| School-sponsored | 87.4 | 9.6 | 1.3 | 1.6 |
| Nonprofit | 49.7 | 29.0 | 9.4 | 11.3 |
| For-profit | 35.1 | 30.7 | 12.4 | 21.0 |

Note: Estimated sampling errors for these data ranged from +/- .9 percent to +/- 7.9 percent.

**Table III.2: Data for Figure 3.4: Child-to-Staff Ratios**

Percent of centers

| Program | Average child-to-staff ratio of 0 to less than 7 children | Average child-to-staff ratio of 7 to less than 8.5 children | Average child-to-staff ratio of 8.5 to 10 children | Average child-to-staff ratio of more than 10 children |
|---|---|---|---|---|
| Head Start | 18.1 | 12.4 | 61.7 | 7.8 |
| School-sponsored | 27.9 | 20.2 | 33.3 | 18.7 |
| Nonprofit | 30.3 | 23.3 | 21.7 | 24.7 |
| For-profit | 24.8 | 18.5 | 22.1 | 34.6 |

Note: Estimated sampling errors for these data ranged from +/- 2.7 percent to +/- 11.9 percent.

**Table III.3: Data for Figure 3.4: Group Sizes**

Percent of centers

| Program | 1-11 children | 12-15 children | 16-20 children | More than 20 children |
|---|---|---|---|---|
| Head Start | 8.0 | 7.6 | 75.6 | 8.7 |
| School-sponsored | 15.1 | 25.2 | 45.8 | 13.9 |
| Nonprofit | 29.1 | 29.7 | 26.1 | 15.1 |
| For-profit | 31.3 | 29.0 | 26.0 | 13.7 |

Note: Estimated sampling errors for these data ranged from +/- 2.4 percent to +/- 10.9 percent.

**Table III.4: Data for Figure 3.4: Teacher Turnover**

Percent of centers

| Program | No turnover | Turnover of 1 to 25 percent | Turnover of more than 25 percent |
|---|---|---|---|
| Head Start | 68.6 | 6.9 | 24.5 |
| School-sponsored | 77.4 | 6.4 | 16.2 |
| Nonprofit | 47.3 | 22.0 | 30.7 |
| For-profit | 45.6 | 19.0 | 35.4 |

Note: Estimated sampling errors for these data ranged from +/- 1.9 percent to +/- 6.6 percent.

**Table III.5: Data for Figure 3.4: Written Curriculum Less Likely to Be Used in Nonprofit and For-Profit Centers Compared With Head Start Centers**

Percent of centers

| Program | Does not use written curriculum |
|---|---|
| Head Start | 6.8 |
| School-sponsored | 13.8 |
| Nonprofit | 17.0 |
| For-profit | 13.6 |

Note: Estimated sampling errors for these data ranged from +/- 2.9 percent to +/- 4.2 percent.

**Table III.6: Data for Figure 3.5: Parent Services Less Likely to Be Available in Centers Other Than Head Start With Exception of Meetings With Parents**

Percent of centers

| Program | Teachers schedule meetings with parents | Parents serve as volunteers in classroom | Parents participate in governance activities | Parents attend workshops or classes at center | Center staff visit child's home |
|---|---|---|---|---|---|
| Head Start | 96.2 | 87.8 | 94.6 | 90.9 | 98.3 |
| School-sponsored | 90.4 | 45.0 | 42.9 | 64.3 | 45.3 |
| Nonprofit | 84.1 | 26.5 | 39.6 | 39.6 | 18.1 |
| For-profit | 72.1 | 12.2 | 11.7 | 22.8 | 7.0 |

Note: Estimated sampling errors for these data ranged from +/- 2.7 percent to +/- 11.9 percent.

**Table III.7: Data for Figure 3.6: Health Services Less Likely to Be Provided in Centers Other Than Head Start**

Percent of centers

| Program | Hearing, speech, and vision screenings | Physical exams | Dental exams |
|---|---|---|---|
| Head Start | 98.7 | 71.4 | 81.5 |
| School-sponsored | 85.0 | 31.1 | 31.6 |
| Nonprofit | 51.5 | 7.5 | 9.3 |
| For-profit | 42.4 | 2.4 | 3.8 |

Note: Estimated sampling errors for these data ranged from +/- 1.4 percent to +/- 8.9 percent.

**Table III.8: Data for Figure 3.7: Nutrition Services Provided by Most Centers Through Regular Meals and Snacks**

Percent of centers

| Program | Regularly serves meals & snacks | Participates in CACFP |
|---|---|---|
| Head Start | 97.8 | 89.4 |
| School-sponsored | 91.5 | 39.1 |
| Nonprofit | 88.6 | 33.9 |
| For-profit | 96.1 | 9.1 |

Note: Estimated sampling errors for these data ranged from +/- 1.7 percent to +/- 9.0 percent.

**Table III.9: Data for Figure 4.1: Full-Day Care Not Provided by Most Head Start and School-Sponsored Centers**

Percent of centers

| Program | 4 or fewer hours | More than 4 hours, fewer than 8 | 8 or more hours |
|---|---|---|---|
| Head Start | 14.4 | 59.6 | 26.0 |
| School-sponsored | 12.0 | 54.0 | 33.9 |
| Nonprofit | 10.2 | 17.5 | 72.4 |
| For-profit | 3.1 | 7.2 | 89.6 |

Note: Estimated sampling errors for these data ranged from +/- 1.7 percent to +/- 9.2 percent.

# Standards That Apply to Early Childhood Centers

The tables in this appendix describe the standards that apply to Head Start centers, as well as school-sponsored, nonprofit, and for-profit centers in the four states we visited. As described in chapter 4, standards for Head Start centers tend to be the most extensive (see table IV.1), followed by standards for school-sponsored centers funded by states. School-sponsored centers funded with federal Title I dollars are not subject to any standards for child development or health services; however, standards do exist for parent services, such as annual meetings with parents and parent-teacher conferences to the extent practical.[115] New legislation reauthorizing ESEA requires Title I early childhood programs to comply with Head Start performance standards by fiscal year 1997. The least demanding standards are the child care licensing standards that apply to nonprofit and for-profit centers; these centers may receive funds from federal child care programs.

California exhibits exceptions to this pattern. A center funded by the state—through either the State Preschool or the General Child Care and Development Programs—must meet additional parent and health service requirements. Referred to as Title 5 standards, these are detailed in table IV.2.

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[115] Despite federal standards pertaining only to parent services, the three Title I centers we visited offered all features of child development services.

**Table IV.1: Standards for Head Start Centers**

| | Standard |
|---|---|
| Group size | 15-17 (3-year-olds); 17-20 (4- to 5-year-olds) |
| Child-to-staff ratio | Each class must have two paid staff persons (teacher and teacher aide or two teachers). This is equivalent to 9 to 1 (3-year-olds); 10 to 1 (4- and 5-year-olds). |
| Teacher education | Beginning September 30, 1996, each Head Start classroom must have one teacher who has a CDA or equivalent. |
| Curriculum | Education services plan is required. |
| Parent services | Parent involvement plan required: regular two-way communication between parents and staff, parent participation in individual and staff conferences, parent policy groups, development of parenting skills (including opportunities for continuing education), and periodic home visits (no fewer than two) are among activities specified. |
| Health services | Health services program required, which includes, for each child, maintaining a complete medical and dental history, screenings for medical and dental problems, and obtaining and arranging for treatment of all health problems detected. |
| Nutrition services | Each child must receive a certain portion of daily nutritional needs through center meals and snacks. |

Source: 45 C.F.R. 1306; Head Start Performance Standards; Human Services Amendments of 1994.

**Table IV.2: Standards for School-Sponsored Centers**

| | School-sponsored centers | | | |
|---|---|---|---|---|
| | **California State Preschool Program**[a] | **Louisiana Model Early Childhood Program**[b] | **Maryland Extended Elementary Education Program** | **Michigan Early Childhood Education Program**[c] |
| Group size | No requirement | 16-20 (4-year-olds) | 20 (4-year-olds) | 15-18 (4-year-olds) |
| Child-to-staff ratio | 8 to 1 (child-to-adult ratio for children aged 3 to 5)<br>24 to 1 (child-to-teacher ratio for children aged 3 to 5). | A teacher and aide must be assigned to each classroom. This is equivalent to 10 to 1 (4-year-olds). | A teacher and teacher assistant must be assigned to each classroom. This is equivalent to 10 to 1 (4-year-olds). | A teacher and paraprofessional or associate teacher and an unpaid aide for each classroom. This is equivalent to 8 to 1 (4-year-olds). |
| Teacher education | Teacher must have a center instructional permit, which requires equivalent of an associate's degree, including 24 semester units in early childhood education, a teaching credential, and 12 units in early childhood education or child development or related experience. | Teacher must have state certification in early childhood, nursery school, or kindergarten education. | Teacher must have state certification in early childhood education. | Teacher must have a bachelor's degree in early childhood education, or equivalent. Beginning in 1995, in the state aid school district programs, all teachers must have an early childhood endorsement—referred to as the ZA endorsement—awarded by Michigan colleges and universities upon completion of an 18-hour early childhood program. |
| Curriculum | Educational program is required. Developmental profiles, referring to records of a child's physical, cognitive, social, and emotional development, must be developed every year for each child. | Curriculum is required. Creative Curriculum, by Diane Trister Dodge, recommended by state Department of Education. | Curriculum, approved by the state Board of Education, is required. | An ad hoc advisory committee to state Board of Education commissioned development of guidelines on which required curriculum is based. |
| Parent services | Parent involvement and education component includes orientation for parents, at least two individual parent-teacher conferences per year, parent meetings with program staff, open-door policy to encourage parents' participation, and a parent advisory committee. | Eligibility requirement that families agree to participate in various activities associated with the program. | Activities to promote parental support and involvement are required. These may include maintaining a log of parent involvement, communicating and sharing information to promote parents' understanding of children's development, and having parents evaluate the program each year. | Opportunities for parent and family participation are required, including parent-teacher conferences, parent-staff meetings, home visits, and at-home learning activities. In addition, parents may assist in the classroom, serve on an advisory council, and participate in parent education activities. |

(continued)

| | School-sponsored centers | | | |
|---|---|---|---|---|
| | **California State Preschool Program**[a] | **Louisiana Model Early Childhood Program**[b] | **Maryland Extended Elementary Education Program** | **Michigan Early Childhood Education Program**[c] |
| Health services | A health and social service component identifies the needs of child and family for health or social services, refers a child and/or family to appropriate agencies in the community, and conducts follow-up procedures with the parent to ensure that the needs have been met. | Vision and hearing screenings are required. | Health records on each child must be maintained. | Physician's statement required for admission. Health records for each child must be maintained. Parent must provide written assurance child will participate in a health care program. Basic health and safety protections detailed. |
| Nutrition services | A nutrition component ensures that children have nutritious meals and snacks during the time in which they are in the program. | None specified. | None specified. | A nutritious snack is made available during each 2.5-hour session. |

Notes: Regarding standards for school-sponsored centers, some services are offered regularly through the school system even though standards for school-sponsored centers might not specify such a service as a requirement. For example, we found that many school-sponsored centers we visited offered hearing, speech, and vision screenings, and regular meals and snacks through participation in either the USDA Child Care Food Program or National School Lunch Program.

Michigan and Maryland use indicators to specify how state standards should be implemented.

[a] These standards are equivalent to Title 5 standards. Title 5 standards are applicable to all centers funded by the state—either participating in the State Preschool or General Child Care and Development Programs.

[b] Louisiana also has a school-sponsored program called Starting Points, funded with CCDBG moneys. This program is modeled after the Model Early Childhood Program and therefore has the same program characteristics. The only exception is a difference in eligibility requirements in that parents who enroll children in the Starting Points program must be working or in job training.

[c] For Michigan, this table contains requirements that centers must meet in order to receive state funds; centers must also meet state licensing standards.

Sources: California State Preschool Program data are from Preschool Funding Terms and Conditions and Program Requirements for Child Development Programs, Fiscal Year 93-94. Data for the Louisiana Model Early Childhood Program are from Regulations for Model Early Childhood Programs, Louisiana Department of Education. Data for the Maryland Extended Elementary Education Program are from Standards for Implementing Quality Prekindergarten Education, MSDE. Data for the Michigan Early Childhood Education Program are from The Standards of Quality and Curriculum Guidelines, Michigan State Board of Education.

**Table IV.3: Standards for Nonprofit and For-Profit Centers**

| | Nonprofit and for-profit centers | | | |
|---|---|---|---|---|
| | **California[a]** | **Louisiana** | **Maryland** | **Michigan[b]** |
| Group size | None specified. | 16-20 (4-year-olds) | 20 (3- or 4-year-olds)<br>30 (5-year-olds) | No requirements. |
| Child-to-staff ratio | 12 to 1 (child-to-teacher ratio for children of all ages)<br>7.5 to 1 (child-to-staff ratio, which includes one teacher and one aide for 15 children of all ages) | 14 (3-year-olds)<br>16 (4-year-olds) | 10 to 1 (3- and 4-year-olds)<br>15 to 1 (5-year-olds) | 10 to 1 (aged 2.5 to 3 and 2.5 to 5)<br>12 to 1 (aged 4 to 5) |
| Teacher education | 12 postsecondary semester units in early childhood education and 6 months work experience; a CDA, or a permit issued by the state, to teach at child care centers. | There is no preemployment educational requirement for teachers, only for directors. However, 12 hours of in-service training are required per year. | Teacher must be approved by the state Department of Education to teach early childhood in nursery through third grade. Otherwise, teacher must meet a mix of requirements, which include some training and experience in early childhood education or an associate's degree in early childhood education or recreation. | There is no educational requirement for teachers, only for directors. |
| Curriculum | Center must provide a variety of daily activities | A schedule of day's plan of activities is required. | A written schedule of daily activities is required. | A program of daily activities is required. |
| Parent services | Center must provide parent with information about the center and inform parent of right to enter and inspect the center. | Meeting with parents is required at admission; parents must be provided information, including an annual and daily schedule; and parents must be informed of right to visit the center anytime. | Parents must be provided a consumer education pamphlet on child care centers, and a copy must be posted in a conspicuous place in the center. Parents must be given access to their children and all center child care areas during hours of center's operation. | Parents are permitted to visit the program to observe their children during daily activities. |

(continued)

| | Nonprofit and for-profit centers | | | |
|---|---|---|---|---|
| | **California[a]** | **Louisiana** | **Maryland** | **Michigan[b]** |
| Health services | A written medical assessment of the child must be provided as a condition of admission, and the center must maintain a written health record. Basic health and safety protections must be detailed. | The center must maintain a written health record for each child. Basic health and safety protections must be detailed. | A written report of a health inventory on the child must be provided as a condition of admission, and the center must maintain a file on each child that includes health records. Basic health and safety protections must be detailed. | A physician's statement is required as a condition of admission, and the center must maintain health records. In addition, the center must keep a written statement from the parent that the child has or will participate in a health care program, which includes physical assessments and screening, when such program is available and has been approved by the Department of Public Health. Basic health and safety protections are detailed. |
| Nutrition services | Regular nutritious meals and snacks must be provided. | Regular nutritious meals and snacks must be provided. | Regular nutritious meals and snacks must be provided. | Regular nutritious meals and snacks must be provided. |

Note: Regarding standards for nonprofit and for-profit centers, in all four states, the child care licensing standards include basic health and safety protections. These differ from health services offered by centers as referred to in our national data analysis and case studies. Health and safety protections guard against the spread of contagious disease, help providers meet emergency and other health needs of sick children, and protect against fire and other disasters. These protections do not include the provision of health services such as screenings for hearing, speech, and vision problems; physical and dental exams; or referral and follow-up to promote children's good health.

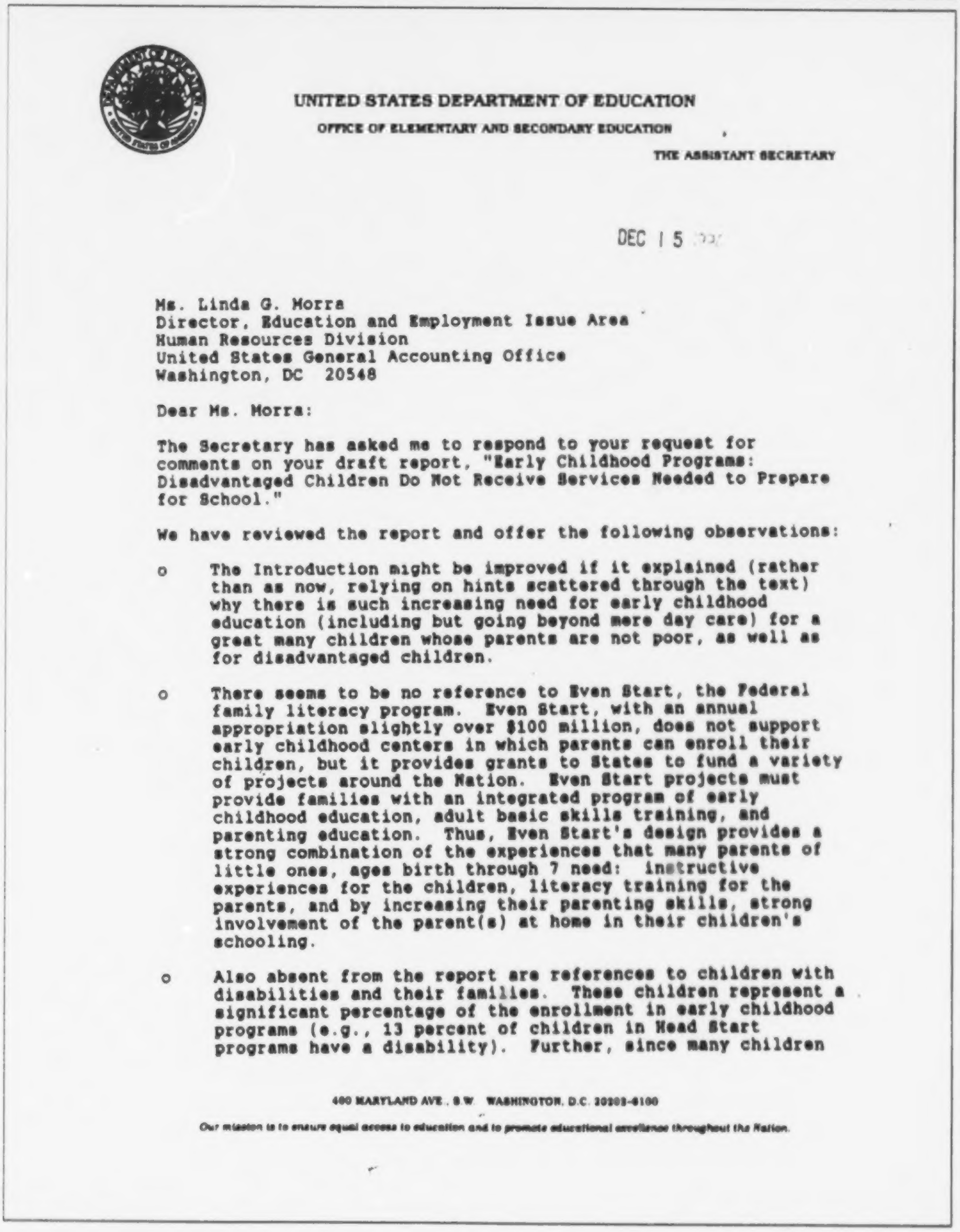
[a] Centers funded by California—either participating in the State Preschool or General Child Care and Development Programs—must follow more extensive standards that require a wide range of parent and health services. Referred to as Title 5 standards, these are the same as those detailed in table IV.2 for California school-sponsored centers.

[b] These are state child care licensing standards that all centers, regardless of sponsorship, must meet. Some centers, such as state-funded, school-sponsored centers, must meet additional program requirements that are a condition of funding.

Sources: Data for California are from Manual of Policy and Procedures: Day Care Centers, Title 22 (Sept. 1993). Data for Louisiana are from Child Day Care Center "A" Standards, Louisiana Administrative Code, Title 48:1, Chapter 53. Data for Maryland are from Title 07.04.02, Maryland Child Care Licensing, May 1991. Data for Michigan are from Licensing Rules for Child Care Centers, State of Michigan Department of Social Services, June 1980.

# Comments From the Department of Education

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION
THE ASSISTANT SECRETARY

DEC 15 [illegible]

Ms. Linda G. Morra
Director, Education and Employment Issue Area
Human Resources Division
United States General Accounting Office
Washington, DC 20548

Dear Ms. Morra:

The Secretary has asked me to respond to your request for comments on your draft report, "Early Childhood Programs: Disadvantaged Children Do Not Receive Services Needed to Prepare for School."

We have reviewed the report and offer the following observations:

- The Introduction might be improved if it explained (rather than as now, relying on hints scattered through the text) why there is such increasing need for early childhood education (including but going beyond mere day care) for a great many children whose parents are not poor, as well as for disadvantaged children.
- There seems to be no reference to Even Start, the Federal family literacy program. Even Start, with an annual appropriation slightly over $100 million, does not support early childhood centers in which parents can enroll their children, but it provides grants to States to fund a variety of projects around the Nation. Even Start projects must provide families with an integrated program of early childhood education, adult basic skills training, and parenting education. Thus, Even Start's design provides a strong combination of the experiences that many parents of little ones, ages birth through 7 need: instructive experiences for the children, literacy training for the parents, and by increasing their parenting skills, strong involvement of the parent(s) at home in their children's schooling.
- Also absent from the report are references to children with disabilities and their families. These children represent a significant percentage of the enrollment in early childhood programs (e.g., 13 percent of children in Head Start programs have a disability). Further, since many children

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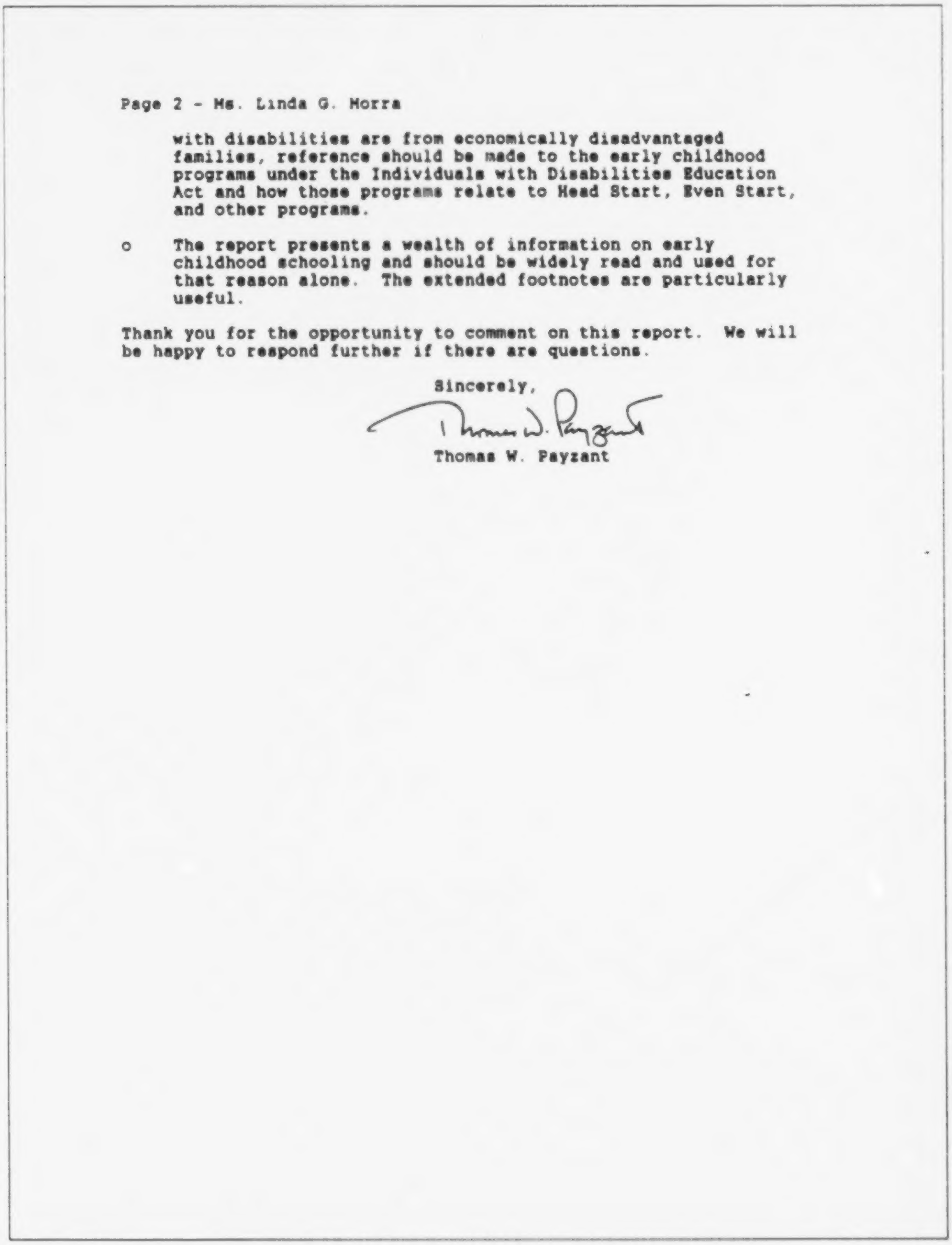

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with disabilities are from economically disadvantaged families, reference should be made to the early childhood programs under the Individuals with Disabilities Education Act and how those programs relate to Head Start, Even Start, and other programs.

- The report presents a wealth of information on early childhood schooling and should be widely read and used for that reason alone. The extended footnotes are particularly useful.

Thank you for the opportunity to comment on this report. We will be happy to respond further if there are questions.

Sincerely,

Thomas W. Payzant

Thomas W. Payzant

The following are GAO's comments on the Department of Education's letter dated December 15, 1994.

## GAO Comments

1. Introduction—We did not make changes in response to Education's comment that we more explicitly state the increasing need for early childhood services for all children because (1) the focus of our study was on the needs of disadvantaged children and (2) we mention, in chapter 2, the need for early childhood services for all children.

2. Even Start—We added a general description of Even Start's services in our introduction but do not include more information about the program because Even Start was not among the programs reviewed in our case studies.

3. Children with disabilities—We added information about federal programs for children with disabilities but did not include more information because these programs were not among those reviewed in our case studies.

# Acknowledgments

We would like to acknowledge the assistance of the following experts: Dr. Edward Zigler, Sterling Professor of Psychology at Yale University; Sharon Lynn Kagan, Associate Research Scientist in Child Studies Centers at Yale University; Ellen Galinsky, Co-President of the Families and Work Institute; Ellen Eliason Kisker, Senior Researcher for Mathematica Policy Research, Inc.; and Anne Mitchell, President, Early Childhood Research. These individuals provided valuable insights on the issues discussed in this report; however, they do not necessarily endorse the positions taken in the report.

# GAO Contacts and Staff Acknowledgments

## GAO Contacts

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## Acknowledgements

In addition to those named above, the following individuals made important contributions to this report: Robert T. Rogers co-managed the project; Jackie Baker Werth co-authored the report and led the case study of Louisiana and the Head Start Collaboration study segment, Cindy Neal and Kathy Ward led the statistical analysis of national data, Fern Clement led the case study of Michigan and assisted with other case studies, Lisa Manning led the case study in California, Jean Orland assisted with the California case study, Kathy Leslie assisted with the Maryland case study, Laurel Rabin assisted with writing the report, Steve Machlin provided advice on the statistical analysis, and Joan Vogel performed statistical analyses.

# Related GAO Products

Early Childhood Programs: Promoting the Development of Young Children in Denmark, France, and Italy (GAO/HEHS-95-45BR, Feb. 3, 1995).

Early Childhood Programs: Parent Education and Income Best Predict Participation (GAO/HEHS-95-47, Dec. 28, 1994).

Early Childhood Programs: Local Perspectives on Barriers to Providing Head Start Services (GAO/HEHS-95-8, Dec. 21, 1994).

Child Care: Promoting Quality in Family Child Care (GAO/HEHS-95-36, Dec. 7, 1994).

Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994).

Early Childhood Programs: Many Poor Children and Strained Resources Challenge Head Start (GAO/HEHS-94-169BR, May 17, 1994).

Child Care: Working Poor and Welfare Recipients Face Service Gaps (GAO/HEHS-94-87, May 13, 1994).

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